Daily Report

East Europe

FBIS-EEU-91-163
Thursday
22 August 1991

Daily Report
East Europe

FBIS-EEU-91-163 *22 August 1991*

CONTENTS

NOTICE TO READERS: * indicates material not disseminated in electronic form.

ALBANIA

Alia on Serbs-Kosovo, Democratization *[Munich SUEDDEUTSCHE ZEITUNG 21 Aug]* 1
Diplomatic Relations With Israel Established *[ATA]* 2
Minister Kapllani Returns From Israel *[ATA]* 2

BULGARIA

President Zhelev on Collapse of Soviet Coup *[BTA]* 3
Fuel Shortage Cuts Thermal Power Plant Output *[Sofia Radio]* 3
Popov Blames Podkrepa for Continued Miners Strike *[Sofia Radio]* 3
Appeal for Strike End *[BTA]* 3
BTA Reviews 21 Aug Assembly Activities; Strike 4
KNSB 'Experts' Position on Use of Strike Weapon *[TRUD 15 Aug]* 4
Assembly Makes Slow Progress With Electoral Law *[BTA]* 5
BZNS-United Position on Elections Assessed *[BTA]* 5
Parties Against Registration of Ethnic Turk Party *[BTA]* 6

CZECHOSLOVAKIA

Havel Views Moscow Coup Effect; Calls For Unity *[LIDOVE NOVINY 20 Aug]* 7
Klaus, Dlouhy, Tosovsky Discuss Soviet Coup *[LIDOVE NOVINY 20 Aug]* 7
Security Staff Acts To Prevent StB Operations *[CTK]* 8
Prokes Expects Soviet Events To Harm Slovakia *[VEREJNOST 20 Aug]* 8
Unemployment Rate Reaches 4.6 Percent in July *[RUDE PRAVO 15 Aug]* 9
Electricity Prices To Rise 70 Percent in October *[CTK]* 9
Klaus Views Privatization, Free Trade Zones *[HOSPODARSKE NOVINY 15 Aug]* 9
Danco: Budget Unable To Finance Community Needs *[HOSPODARSKE NOVINY 14 Aug]* 9
Slovak Government, Trade Unions Discuss Economy *[NARODNA OBRODA 17 Aug]* 10

HUNGARY

Antall Comments on USSR Events, Yeltsin's Role *[Budapest TV]* 11
Jeszensky on Cooperation of 'Visegrad Three' *[Budapest Radio]* 12
Assembly Chairman Reviews Achievements, Agenda *[NEPSZABADSAG 18 Aug]* 12
Fur Outlines Army's Financial Situation *[NEPSZABADSAG 18 Aug]* 13

POLAND

USSR Begins New Round of Withdrawal Talks *[PAP]* 15
Soviet Troop Train Leaves Country *[Warsaw Radio]* 15
Bielecki Heads Liberal-Democratic Candidate List *[RZECZPOSPOLITA 16 Aug]* 15
Maziarski on Possible Center Accord Candidates *[GAZETA WYBORCZA 16 Aug]* 15
Number of Registered Political Parties Now 105 *[RZECZPOSPOLITA 17-18 Aug]* 16
Party Secretary Interviewed on Political Stability *[ZYCIE WAERSZAWY 17-18 Aug]* 16
Council of Ministers Deputy on Official Privileges *[RZECZPOSPOLITA 17-18 Aug]* 16

ROMANIA

Government Statement on Coup Failure in USSR *[Bucharest Radio]* 18
Iliescu Congratulates Yeltsin, Praises Democracy *[ROMPRES]* 18
Statistics, Measures To Curb Unemployment Viewed *[ROMPRES]* 18

July Economic Performance, Exports Reviewed *[ROMPRES]* 19
National Bank Acts To Ensure Money Flow *[ROMPRES]* 19
Chebeleu Regrets Hungarian Press Allegations *[ROMPRES]* 20
Nuclear Project Receives $400 Million Credit Line *[ROMPRES]* 20
Chebeleu on Suspension of Jackson-Vanik Amendment *[ROMPRES]* 20
Chebeleu Comments on Recovering Debts From Abroad *[ROMPRES]* 20

YUGOSLAVIA

Federal

Presidency Cease-Fire Group Fired Upon *[TANJUG]* 21
Kucan Views 21 Aug Presidency Session *[Ljubljana Radio]* 21
Presidency Agrees on Essential Functions *[TANJUG]* 21
Mesic Optimistic About Overcoming Crisis *[TANJUG]* 22
Kostic, Jovic Comment on Presidency Statement *[Belgrade TV]* 22
Defense Official Comments on Recruitment Issues *[TANJUG]* 22
General Rules Out Possibility of Military Coup *[TANJUG]* 22
Loncar Rules Out Foreign Intervention *[TANJUG]* 23
Presidency on Functions During Transition Period *[Ljubljana Radio]* 23

Slovenia

Military Withdrawing From Ljubljana, Novo Mesto *[Ljubljana Radio]* 23
Pucnik on Talks With Croat Prime Minister *[Ljubljana Radio]* 24
Slovenia Accuses Markovic of Economic Attack *[TANJUG]* 24
Slovene Citizenship Application Deadline Set *[Ljubljana Radio]* 24
Demos Presents New Proposal for Country's Future *[Ljubljana Radio]* 25
Helsinki Federation on Kosovo Situation *[Ljubljana Radio]* 25

Croatia

Vekic Demands Cease-Fire Commission Intervene *[TANJUG]* 25
Deputy Interior Minister Warns of Police Action *[Zagreb Radio]* 26
Brezak Says Situation 'Increasingly Dramatic' *[TANJUG]* 26
Army Enters Beli Manastir Town Center *[Zagreb Radio]* 27
Belgrade Radio Reports Calm in Banija 27
Slavonian Town Hit by Mortar Fire *[TANJUG]* 27
Two Killed, Two Injured in Jankovci Area *[Zagreb Radio]* 28
Air Force Planes Shot at Over Croatia *[TANJUG]* 28
Shooting Continues in Darda; Army Tanks Arrive *[Zagreb Radio]* 28
Mortar Attack on Villages Near Osijek Reported *[Zagreb Radio]* 28
Shooting in Pakrac, Grubisno Polje Reported *[Belgrade Radio]* 28
Army Aircraft Bomb Sarvas Twice *[Zagreb Radio]* 28
'Many Casualties' in Attack on Sunja, Komarevo *[Zagreb Radio]* 28

Serbia

Kosutic Says 'Legal' Solutions Sought *[TANJUG]* 28

Macedonia

Assembly on Recent Developments, Defense Minister *[Skopje Radio]* 29
Defense Minister Damjanovski Replaced *[TANJUG]* 29
Gligorov Comments on Presidency Statement *[Skopje Radio]* 29

Alia on Serbs-Kosovo, Democratization

AU2108143291 Munich SUEDDEUTSCHE ZEITUNG in German 21 Aug 91 p 10

[Interview with President Ramiz Alia by Carl E. Buchalla; place and date not given: "The Exodus Is No Way Out"]

[Text] [Buchalla] Mr. President, how do you assess recent developments in Moscow?

[Alia] Recent events in the Soviet Union represent a negative development. The intervention of the Army is a step backward. This leads to international tensions. We are facing a deterioration that will have an impact on Europe. I am most concerned about the situation in the Balkans. Events in the Soviet Union help Milosevic (the Serbian president—the editors) and all forces of the Yugoslav Army. The democratic process in Yugoslavia will be impeded by the Army.

[Buchalla] Do you believe that the coup d'etat in Moscow might have an impact on democratic development in Albania?

[Alia] I do not believe that it will have an immediate and direct impact. However, indirectly the danger for Albania will increase because of the situation in Yugoslavia.

[Buchalla] Do you believe that the negative effects will come from outside?

[Alia] There is the danger that the Serbs might attack Kosovo and that this might trigger more provocations. Thus, the danger might increase.

[Buchalla] Do you see a danger from inside as well? Are there still political forces in Albania that might exploit the developments in Moscow to impede Albania's path toward democracy?

[Alia] I do not think that there are significant forces that could change the direction of democratic developments.

[Buchalla] Let me ask you another question about Kosovo: As you said, recent events in the Soviet Union have led to an exacerbation of this problem. Are you afraid that violence might break out in Kosovo?

[Alia] I fear that acts of violence might occur there. The Yugoslav Army was defeated in Slovenia and Croatia, and it certainly wants to express its anger somehow. It might do that in Kosovo. The Albanians there are unarmed, the people are not Slavs, and Kosovo cannot rely on international attention at this point. Kosovo does not exist for the international public. This might encourage the Serbian Army.

[Buchalla] Albania's position is also very difficult. On the one hand it should help its Albanian brothers in Kosovo in the event of a conflict. But on the other, military intervention by the Albanians would practically mean war. Would Albania intervene militarily in the event of an explosion in Kosovo?

[Alia] You have described the situation and the existing danger. Albania will not intervene militarily in Kosovo, but Albania will defend its borders. Still, everything that happens in Kosovo represents a big danger for us.

[Buchalla] You are right.

[Alia] The danger can take on various forms. One possibility is an exodus from Kosovo to Albania. This would be very dangerous because it might lead to persecution by the Serbian Army, which means the Army might come to Albania and would then be confronted by our military border forces. I do not want that to happen. We are for a peaceful and democratic solution and against violence.

[Buchalla] Reforms were initiated some time ago in Albania. Still, two mass exodoi from Albania to Italy took place within a short period. What are the reasons?

[Alia] The main reason for this exodus is the economic situation. Because of our past, our economy is not very well developed. During the current transition period from the centralized planned economy to the market economy, people do not want to work. They read papers, talk with each other, give speeches, but they do not work. Last year was a bad year for agricultural production, but wheat production was still twice as high as this year. Exports have dropped to 20 percent this year, and industrial production to 60 percent. These difficulties are temporary, but they do exist. However, people, particularly the young, have lost patience. They see no prospects. Thus, they believe that an exodus is the only way out. However, it is no way out.

[Buchalla] How could young people be encouraged to hope for a better future?

[Alia] Albania needs efficient aid. It needs investments. Humanitarian aid is no solution. It is only sufficient to buy a lunch, a dinner, and a breakfast, so to speak. Our economy must be improved, and jobs must be created with the help of foreign investments. There has been talk about a new highway through Albania and about a new railway line. In September or October, the search for mineral oil will begin off the Albanian coast. If everything goes well, new jobs will be created and 10,000 people will find work. All this would open up prospects for the young.

[Buchalla] Reforms have also been carried out in the political sphere. A multiparty parliament and a multiparty government have been established in Albania. Does the multiparty government function well?

[Alia] As far as the government is concerned, I believe that it is functioning well and is working. However, so far it has mainly dealt with bills. The law on privatization and on land has been discussed, for example. The government must stabilize the economic, political, and social situation. This is important. If the new laws are

not sufficient, the government itself must stimulate developments. The government is facing specific difficulties here.

[Buchalla] Thus, the solutions are on paper, but not in practical life.

[Alia] Yes, exactly. This is the problem.

[Buchalla] There have been reports that the Sigurimi security police are still very powerful and that they block, obstruct, and slow down the democratic development. Is that true?

[Alia] This is a psychosis that various opposition parties want to create. They even claim that the secret service organized this mass exodus.

[Buchalla] Yes, I have heard that as well.

[Alia] This is absurd. If the secret service were so powerful, it could organize something else to impede the development, the democratic processes. The organs of the secret service are being completely restructured. At this point, the secret service is only responsible for espionage and counterespionage. Thus its only task is to defend the state and its constitution.

[Buchalla] You also mentioned that the newspapers are allowed to write about everything now. The opposition parties have even called for your resignation. What is your reply?

[Alia] They can write whatever they want. We are living in a democracy. One should allow them to write what they want.

[Buchalla] Let me ask you a question in connection with the case of the writer Ismail Kadare. You knew him well. He may even have been your friend. Kadare went to Paris last fall and has not returned. There is no doubt that Kadare is Albania's most significant contemporary author. He repeatedly stated in Paris that he does not believe in Albania's democratization, and that, therefore, he will not return. Would you welcome his return?

[Alia] Ismail Kadare was a good and close friend of mine, and I still believe he is a great writer, the best writer in Albania. Of course, I am not happy that he chose this way. It is up to him what he will do in the future. If he should come back, Albania will receive him as its son, as its writer.

[Buchalla] Does this mean that you would welcome his return?

[Alia] Yes, I would welcome such a step.

[Buchalla] Mr. President, thank you for the interview.

Diplomatic Relations With Israel Established

AU2108142191 Tirana ATA in English 1717 GMT 21 Aug 91

[Text] Tirana, August 20 (ATA)—On 19 August 1991, a memorandum of understanding on the establishment of diplomatic relations between the Republic of Albania and the state of Israel [passage indistinct].

On this occasion Foreign Minister Kapllani said among others (?that the establishment) of diplomatic relations opens up a new chapter [passage indistinct]. It is a fact that during World War II not a single Jew had had any consequence in Albania, which speaks of the respect the Albanians had for your people. Albania has recognised the state of Israel since the beginning, but the relations between the two countries were not established due to the ideologies, of the relations with the world which led to self- isolation. Democratisation in Albania afforded us the possibility to establish full diplomatic relations with Israel. Speaking of the situation in the Middle East, Minister Kapllani reiterated once more the stand of our government on the solution of the Arab-Israeli conflict in a peaceful acceptable way for all the peoples and countries of the region who should live within acceptable and secure borders.

On his part, Minister Levi said that we are proud and privileged for the establishment of the diplomatic relations with Albania for Albania has recognised Israel as a state. You have defended the Jews in Albania, and we are grateful for it. Then he voiced the readiness to help in the economic-financial field especially in agriculture, health service, etc., and to send a group of experts to see the possibility and fields where Israel might assist Albania. Minister Levi said that the government of Israel (?offers) scholarships for Albanian students to study in various [passage indistinct]. Kapllani invited the foreign minister of the state of Israel to visit Albania. The invitation was accepted with pleasure.

Minister Kapllani Returns From Israel

AU2108192591 Tirana ATA in English 1805 GMT 21 Aug 91

[Text] Tirana, August 21 (ATA)—On August 21, the minister of foreign affairs of Albania, Muhamet Kapllani, returned home following his visit to Israel.

During his stay in Israel, Muhamet Kapllani conducted talks with his counterpart, the Israeli foreign minister, David Levi; the premier, Yitzhaq Shamir; and met with the minister of agriculture, Refa'el Eytan; the minister of energy and science, Yuval Ne'eman, with whom he talked on Albania's cooperation with Israel in these fields.

President Zhelev on Collapse of Soviet Coup

AU2108184791 Sofia BTA in English 1833 GMT 21 Aug 91

[Text] Sofia, August 21 (BTA)—For me the failure of the coup has shown that communism is really going from Europe and from everywhere else in the world, President Zhelyu Zhelev said in his statement for the central news round-up of the Bulgarian Television.

It was on the same date—August 21, 1968, that the Prague Spring was crushed. But 23 years later the attempt at a communist coup in Moscow—"the cradle and capital of international communism"—failed, the Bulgarian president said. The coup collapsed in three days and this shows that a profound and irreversible change has taken place in our world, President Zhelev added.

The Bulgarian president concluded his statement by wishing the Russian and the other peoples of the Soviet Union a successful parting with communism.

Fuel Shortage Cuts Thermal Power Plant Output

AU2208100391 Sofia Khorizont Radio Network in Bulgarian 0800 GMT 22 Aug 91

[Text] Last night the Maritsa-East 2 Thermoelectric Power Plant shut down a 200-Megawatt generating unit. Now only one generating unit is connected in parallel with the energy distribution system, because the available coal stocks are insufficient to provide steam to ensure the production of the normal quantity of electricity until the end of the month. At the Dimo Dichev Thermoelectric Power Plant, today [figure indistinct] Megawatts of generating capacity are connected to the energy system.

The Podkrepa miners strike continues to hamper production at opencast workings and underground coal mines. Because of the lack of coal, not only are the thermoelectric power plants operating at reduced capacity, but also the dressing plants are unable to function.

The energy supply combine at Stara Zagora told our correspondent that, despite the reduced energy production capacities, so far there are no restrictions in the supply of electric power to the population centers served by the combine.

In Stara Zagora, the health workers at the district hospital and the polyclinics in the area have called off their effective strike as of today, but are continuing a token strike as long as the negotiations started with the government continue. They remain ready to resume effective strike action.

Popov Blames Podkrepa for Continued Miners Strike

AU2108183791 Sofia Khorizont Radio Network in Bulgarian 1620 GMT 21 Aug 91

[Telephone report by Petur Donchev on news conference by Prime Minister Dimitur Popov in the Council of Ministers building in Sofia on 21 August]

[Text] At the start of the news conference, the prime minister made a declaration giving the viewpoint of the government regarding the miners strike.

In his answers to the journalists' questions, Mr. Popov in fact made an analysis of the exceptionally complex and grave sociopolitical and economic situation in the country. In this context, and following the support given by the political forces to the government, he described the expansion of the strike actions as a way to destabilize the country, especially now, before the elections.

We respect the Podkrepa Labor Confederation as our social partner, the prime minister said. Podkrepa's experts worked with great professionalism on preparing the documents for the Agreement on Social Peace and for the reform as a whole. At the same time, certain Podkrepa leaders evidently do not want to take the necessary steps toward holding constructive negotiations, although the government offered quite specific immediate measures in connection with the strikes in the ore-and coal-mining sector. Mr. Popov gave an example: A month's supply of medicines and life-saving drugs costs over $10 million, but the strike is causing the country losses of this magnitude every day. Moreover, he declared, to bring it home that we support holding talks to resolve the problems, tomorrow we will adopt a second package of decisions.

At 2000 this evening, the prime minister will make a national address on television to all the Bulgarian people on the what is most important for us at the moment, namely the preservation of social peace.

Appeal for Strike End

AU2108194591 Sofia BTA in English 1855 GMT 21 Aug 91

["Podkrepa Aims at Chaos and a Coup, Prime Minister Believes"—BTA headline]

[Text] Sofia, August 21 (BTA)—The miners' strike is acquiring a political nature, its organizers are aiming at detonating social peace and at political destabilization, Prime Minister Dimitur Popov said at a press conference today. A part of the national leadership of the Podkrepa Labour Confederation and its leader Dr. Konstantin Trenchev are misleading the miners with demands for high wages, their ultimate goal being the thwarting of the election campaign, the prime minister added. Documents were shown at the press conference with which the decision to strike, taken by the Executive Committee of Podkrepa, was passed down to the local

Podkrepa organizations. So far the leader of the confederation, Dr. Trenchev, maintained that the Podkrepa national leadership had nothing to do with the organization of the strike and that it does not have the right to impose its decisions.

Yesterday the government adopted a package of measures against the miners on strike. A second package is under preparation. The prime minister said that these measures are within the framework of the law. No forceful measures are envisaged. Asked what would happen if the strike does not stop, Mr. Popov answered that the government and the entire country will stay in the dark because the reserves will be exhausted by noon, tomorrow. The prime minister also said that according to information he has received the strike is subsiding in many places and in others the possibilities for calling it off are being discussed. The government once again declared its readiness to start negotiations immediately after the termination of the strike.

Mr. Popov said that the Physicians' Federation has adopted a resolution not to go on an efficient strike. Negotiations are underway.

The prime minister addressed an appeal to the miners to show common sense and to call the strike off.

BTA Reviews 21 Aug Assembly Activities; Strike

AU2108184291 Sofia BTA in English 1806 GMT 21 Aug 91

[Text] Sofia, August 21 (BTA)—Today parliament interrupted its sitting for nearly an hour after the AGENCE FRANCE-PRESSE reported that the coup leaders in the Soviet Union had been arrested. National radio, which broadcasts parliament's proceedings live, broke the transmission to report the news. Both the opposition and the Socialist Party MP's visibly rejoiced.

Even though it was moved, today's sitting did not start by a vote on a declaration on events in the Soviet Union. After a heated debate yesterday the Parliamentary Committees on Foreign Policy and National Security agreed on the draft text which voices profound concern over the declaration of a state of emergency in the USSR and the ouster of President Mikhail Gorbachev. "Events, however, caught us up and this declaration becomes superfluous," an opposition MP said in parliament's lobby after national radio reported the AFP dispatch.

The united democratic opposition: the parliamentary Union of Democratic Forces, the Bulgarian Agrarian Party (United) and the Movement for Rights and Freedoms, came up with a declaration on events in the Soviet Union in parliament later in the day today. The declaration welcomes the collapse of the coup in the Soviet Union.

The present situation in Bulgaria poses its own threats but they do not stem from the Bulgarian Socialist Party [BSP], Mr. Andrey Lukanov, deputy chairman of the BSP and former prime minister, said in parliament today. According to him Bulgaria is threatened by forces pursuing the destabilization of the country. We all know who these forces are, Mr. Lukanov said without mentioning them. The parliamentary group of the Union of Democratic Forces (SDS) made a declaration reminding of today's anniversary of the aggression of the Warsaw Treaty troops in Czechoslovakia. The MP's stood in a minute of silence in memory of the victims of the aggression.

Parliament passed the bill on the organization and work of the Supreme Legal Council. The act determines the status of this new for Bulgaria institution—the Supreme Legal Council, the foundation of which is provided for in the Constitution adopted on July 12.

Parliament adopted a special resolution on the use of the national mass media in the election campaign.

The next item on the agenda was the method of allocating the seats in parliament according to the results of the elections. As Lyubomir Ivanov, MP of the Green Party announced, today's talks between the political forces on this issue did not yield any results. On behalf of eight parliamentary groups—of the Green Party, of the Bulgarian Social Democratic Party, of the Federation of Democracy Clubs, of the Ecoglasnost Political Club, of the Bulgarian Agrarian Party (United), of the Nikola Petkov Bulgarian Agrarian Party, of the Movement for Rights and Freedoms and of the Democratic Party-Conservative Alliance, Mr. Lyubomir Ivanov warned that if the BSP does not reconsider its stand on this method the parliamentary opposition will reconsider its participation in the work of parliament and the BSP will bear the entire responsibility for thwarting the elections.

The miners continued their strike today. Prime Minister Dimitur Popov gave a special press conference on the strike. Members of the national leadership of the Podkrepa Labour Confederation and its leader, Dr. Konstantin Trenchev, are using the miners for attaining political goals. The immediate purpose of the strike is to detonate social peace, and its more distant purpose is to stall the elections and even to effect a coup, Mr. Dimitur Popov said.

The opening of the Commodity Exchange will normalize market relations and will do away with black marketeering and incorrect formatting of prices, Mr. Lyubomir Draganov, deputy minister of agriculture and the food processing industry, said at a press conference today. He added that for the first time today prices at the exchange dropped close to the prices prognosticated by the government.

KNSB 'Experts' Position on Use of Strike Weapon

AU2208073291 Sofia TRUD in Bulgarian 15 Aug 91 p 1

["The Position of Experts of the Confederation of Independent Trade Unions from the 'Labor Legislature' and

'Labor Conflicts' Departments: "Let Us Not Devaluate The Most Powerful Trade Union Weapon!"]

[Text] Dear Trade Union Colleagues,

Sporadic strike activities began yesterday [14 August] in certain enterprises and branches at the initiative of the Podkrepa Labor Confederation. Their development at the outset confirms the position of the leadership of the Confederation of Independent Trade Unions in Bulgaria [KNSB], namely, that there are at present neither conditions nor the necessity for a national strike.

At some places separate KNSB members and units have joined the strikes. This information concerned the KNSB experts. We think that in almost all separate enterprises the effective strike activities of the Podkrepa Labor Confederation contradict the Law on Settling Collective Labor Disputes. This jeopardizes the KNSB members who have joined the strikes and naturally, all other participants in the strikes.

Under those circumstances, as KNSB experts, we must warn that sporadic and poorly organized strike activities conceal an unjustified risk, namely:

—the government and employers could seek legal responsibility from the initiators and participants in those actions, while the KNSB will not be able to render any help;

—the negotiations on labor wages could be interrupted and then resumed under far less favorable conditions;

—the labor rhythm and safety regulations in certain areas of production could be disrupted (the strike has already claimed its first victim);

—the strike itself could be devaluated as the ultimate, powerful trade union weapon for defending our interests.

When the KNSB organizes strikes, it does so in a responsible and legal manner, while carefully calculating the chance of success!

Furthermore, the KNSB organizes strikes only on trade union issues and at a precisely determined moment, when all other possibilities of negotiating have been exhausted.

KNSB experts from the "Labor Legislature" and "Labor Conflicts" Departments.

Assembly Makes Slow Progress With Electoral Law

AU2108073591 Sofia BTA in English
2036 GMT 20 Aug 91

[Text] Sofia, August 20 (BTA)—Bulgarians permanently living or temporarily staying abroad can take part in the elections only if they come to Bulgaria to cast their votes. The Socialist-dominated parliament voted this clause last week. Today it was again put to the vote and remained unchanged. The clause which restricts the right of Bulgarians abroad to vote made President Zhelyu Zhelev return the bill for reconsideration. The long-prepared new proposals for giving Bulgarians abroad a chance to take part in the polling by mail or by lists in the embassies were voted down.

The other clause which was rejected by the head of state as unconstitutional reads that trade unions and organizations which have not been registered as political parties are banned from the election campaign. A compromise was reached on this clause and the ban remains in force only for the trade unions. This was the only amendment to the bill in accordance with the president's decree after almost a week of negotiations and consultations. The result of today's voting was no surprise: The Socialists had announced in advance that they would not give up their position.

Representatives of all parliamentary political forces keep arguing on the method for calculating the election results.

BZNS-United Position on Elections Assessed

AU2008122991 Sofia BTA in English
1103 GMT 20 Aug 91

[Text] Sofia, August 20 (BTA)—"The Bulgarian Agrarian Party [BZNS] (United) is for elections within the term fixed by the Constitution," Mr. Ivan Glushkov, member of the Standing Committee of the BZNS (U), said at a press conference today. The BZNS (U) defends the right of all Bulgarian citizens living abroad to vote. It will defend any accurate method of allocation of seats according to the results of the elections. The registration of the Movement for Rights and Freedoms as a political organization is within the competence of the legal authorities, Mr. Ivan Glushkov said dwelling on the problematic articles of the Election Law.

Mr. Ivan Glushkov denied that agreements had been reached for election coalitions with the Bulgarian Constitutional Forum and the Bulgarian National Democratic Party. He said that the negotiations were underway and that the BZNS (U) will cooperate with all political forces with the exception of one—the Bulgarian Socialist Party.

Mr. Metodi Nedyalkov, representative of the BZNS (U) said that the BZNS does not have a clearly expressed social basis. Now its attention is directed towards the farmers. But the BZNS (U) is expecting to receive the support of other social strata as well in the elections. According to the various public opinion polls this support varies between 14 and 20 percent. Mr. Metodi Nedyalkov supported this idea with the statement of the secretary of the BZNS (U), Mr. Tsenko Barev, that "the BZNS is a political force of primary importance."

Parties Against Registration of Ethnic Turk Party

AU2208082391 Sofia BTA in English 0745 GMT 22 Aug 91

[From BTA review of Sofia press in Bulgarian on 22 August]

[Text] Sofia, August 22 (BTA)—The press reports that the Prosecuting Magistracy in this country is against the registration of the Rights and Freedoms Party [DPS] which should unite some 100 thousand Bulgarians identifying themselves as ethnic Turks. The dailies indicate that the main political forces, including the Federation of Democracy Clubs, are against the legalization of such a party. "SVOBODEN NAROD," the daily of the Social Democrats, writes that its registration would distance everyone, including the Bulgarian Turks from the common European home.

In an interview for "24 CHASA," the claimant for the leading post in the Rights and Freedoms Party, Mr. Ahmed Dogan, says that he expects the Bulgarian Turks to win 10 per cent of the seats in the new parliament. If the court refuses to register the party, he points out, this would place 10 per cent of the Bulgarian electors in the backyard of political life.

Havel Views Moscow Coup Effect; Calls For Unity

AU2208092691 Prague LIDOVE NOVINY in Czech 20 Aug 91 pp 1, 2

["First installment" of an interview with President Vaclav Havel by Jaroslav Veis and Rudolf Zeman; place and date not given: "Unity Instead of Tussles"]

[Text] [LIDOVE NOVINY] Mr. President, in your declaration you stated that our international position is firm, that our relations with Europe have become stronger, and that we anticipate international complications. Nevertheless, are we concerned that the "Soviet variant" could occur here?

[Havel] The reversal in the Soviet Union will most likely cause complications, not only for us but also for many other countries. I personally do not believe that there is an imminent threat to our country. It seems to me that the committee that has assumed power in the Soviet Union will have so many domestic problems that it will seek to retain its internationally respected position and that it will respect agreements. Unfortunately, the news is not very good. The 16-point memorandum issued by the committee sounds quite scary. The memorandum signals the dissolution of all legally elected parliaments and legally constituted governments, as well as a clear stop to economic reform. However, I believe that the general drift toward the emancipation of nations and the search for a democratic political system and a market economy cannot be permanently halted. Of course, they can be curbed and international politics can become complicated. I do not believe this will mean a return to the Cold War, but it will definitely cool international relations.

[LIDOVE NOVINY] In your opinion, to what extent will the coup in the USSR inspire similar forces that latently exist in Czechoslovakia?

[Havel] It is possible that they will be encouraged. There are people and there are circles that make threats, every now and then, that everything will come back and that a day of settlement will come. I do not believe that there is an imminent threat of this kind, but, of course, we must be prepared.

[LIDOVE NOVINY] Do you believe that the crisis in the USSR will also have an effect on our domestic political scene?

[Havel] I strongly believe that it will induce a stronger feeling of responsibility in our politicians and that this will lead to greater unanimity. At present, we have more important things to do than to have quarrels between individual political parties.

[LIDOVE NOVINY] In this situation, will we, together with Poland and Hungary, more pronouncedly coordinate our common interests with regard to the USSR?

[Havel] We are maintaining contacts and, of course, cooperation with Poland and Hungary is exceptionally important for us at the moment, because all three countries are in a similar situation. We are considering, together with Polish and Hungarian diplomats, a joint meeting at the deputy foreign ministers level. At the beginning of October, we are to meet at the highest level and sign some joint treaties.

The second installment of this interview with CSFR President Vaclav Havel will be published in tomorrow's edition.

Klaus, Dlouhy, Tosovsky Discuss Soviet Coup

AU2208100591 Prague LIDOVE NOVINY in Czech 20 Aug 91 p 12

[Interview with Federal Finance Minister Vaclav Klaus, Federal Economy Minister Vladimir Dlouhy, and Czechoslovak State Bank Chairman Josef Tosovsky by a "(ph)"-signed reporter; place and date not given: "Concerning the Coup and Oil"]

[Text] [LIDOVE NOVINY] Following the announcement that [Soviet] federal laws have been granted sovereignty over republican ones, what is your view of the economic treaties that Czechoslovakia has signed with individual republics? [Klaus] I do not know. It is difficult to evaluate these treaties. A number of them signed last year and this year have still not been implemented. It is premature to come to the conclusion that there will be a fundamental shift. If power in the USSR remains in the hands of people such as Premier Pavlov and others, then we can begin to think in different terms, politically and ideologically, about development in the USSR. I do not think there would be any interest in abrogating the treaties that have been signed. However, one thing that could fundamentally change is the functioning of the economy, and then the treaties, non-treaties, and issues concerning our exports and imports could become very problematic.

[LIDOVE NOVINY] In this connection, how do you view the development of oil imports from the USSR?

[Klaus] Let us not make any hasty judgments. However, there has been a considerable decline in oil exports from the Soviet Union. Any further complications would interfere with [production of] this commodity and, thus, with our economy.

[LIDOVE NOVINY] The USSR recently fulfilled its "oil" obligations toward Czechoslovakia (we have already imported 7 million tonnes of oil from the USSR in accordance with the contract). What are your alternatives in the event that there is no oil?

[Klaus] Let us not be precipitous. It is clear that overall oil exports from the USSR will, indeed, not exceed 50 million tonnes this year. The issue is how much of these 50 million tonnes will be left for Czechoslovakia. Oil flows from the USSR to the East, to the West, and

elsewhere; let us not succumb to any great illusions. I am already aware of alternative sources, due to the fact that the proportion of oil supplied in recent months from eastern oil pipelines and the Adria oil pipeline has been amended to 6:4. This is a positive change. Unfortunately, supplies from the West are more expensive. Consequently, the price of oil is going up.

[Dlouhy] As long as there is no actual economic-political collapse or civil war—which I do not think will happen—then, on the contrary, the rigid central authorities will endeavor to prove that they want to fulfill their foreign obligations. In such an event, I would assume that they will continue the oil supplies planned for August and September. The oil supply situation has significantly improved thanks to the policy of supplementing federal material reserves in the first half of this year. We have oil for 10 to 14 days.

[LIDOVE NOVINY] What impact will development in the Soviet Union have on the domestic political scene?

[Klaus] I believe there is no immediate impact. The reform forces in Czechoslovakia are influentially and organizationally completely different from those in the USSR. Therefore, in this sense, I do not expect any immediate dangerous political reaction.

[Dlouhy] I do not want to answer this question. However, I would like to say that I do not plan to alter either my activities or my views.

[LIDOVE NOVINY] Mr. Tosovsky, the Soviet Government has issued a statement in which it declares the sovereignty of all Soviet laws over republican ones. Could Czechoslovakia's banking and financial agreements with the republics be affected?

[Tosovsky] It is difficult to tell what will happen in the Soviet Union. I can show you the development in the U.S. dollar's exchange rate, that is, how it has strengthened against the German mark. More trust is placed in the United States and the dollar than in Germany and the German mark during conflict situations. This is especially the case in view of the fact that there are Soviet troops in Germany. Otherwise, our trading situation with the Soviet Union is unique in the sense that we have large claims against the Soviet Government that the republics do not want to know much about. We have more than $4 billion in the USSR. We need the Soviet Government to recognize our claims and to pay them back at regular intervals. As far as economic ties with the republics are concerned, to date they have not developed very much— neither economically nor financially. Therefore, there is no danger of any greater losses.

Security Staff Acts To Prevent StB Operations

AU2108130891 Prague CTK in English 1839 GMT 19 Aug 91

[Text] Prague Aug 19 (CTK)— A special security staff set up by Czechoslovak Interior Minister Jan Langos to closely follow the situation in the Soviet Union today ordered stepped-up patrols on the Czechoslovak-Soviet border and the transfer of border guards to specified areas, Czechoslovak Interior Ministry Spokesman Martin Fendrych told CTK.

Asked whether the events in the Soviet Union could reactivate the network of the former Secret Police (StB), Fendrych said, "we have already introduced measures that would prevent any such actions." He refused to elaborate.

According to Fendrych, the special security staff is made up of representatives of the Interior, Defense, Foreign, and Communications and Transport Ministries as well as the Interior Ministries of the republics and the director of the Federal Security and Information Service, Jiri Novotny. The staff will be in permanent session and all members have to be available at any time.

According to the Office for Passport and Customs Services, there are currently 8,600 Soviet citizens in Czechoslovakia.

[Prague OBCANSKY DENIK in Czech on 20 August on page 1 carries a 200-word CTK report on the establishment of the "special security staff." The report mentions that it is headed by CSFR First Deputy Minister of Interior Jan Ruml.]

Prokes Expects Soviet Events To Harm Slovakia

AU2108175791 Bratislava VEREJNOST in Slovak 20 Aug 91 p 3

[Statement by Slovak National Party Chairman Jozef Prokes on the coup in the USSR: "Slovak National Party"]

[Text] Doubtless, the coup in the USSR will have an effect on the future development of the relationship between the world powers, and it could cause its sudden cooling down.

We are convinced that the forces that endeavor to maintain the unequal position of the Slovak Republic within the framework of the CSFR will attempt to exploit the situation in the USSR for their own purposes. They apparently will work systematically to create an atmosphere of external danger to Slovakia to force the Slovak political representatives to assume a submissive stand on the formation of the new constitutional arrangement—in assertion of the justified interests of the Slovak people. A similar approach can be expected in the creation, all over again, of an image of an internal enemy—in an attempt to impede the process of the national unification of the Slovaks.

Therefore, we are appealing to all inhabitants of Slovakia not to let themselves be manipulated or scared by Czechoslovakists and unitarians, and by external pressures, and to insist even more on their rights regarding the future constitutional arrangement.

Unemployment Rate Reaches 4.6 Percent in July

AU2208070491 Prague RUDE PRAVO in Czech 15 Aug 91 p 1

[Vladimir Labuda report: "The Growth of Unemployment Has Accelerated Again"]

[Text] The latest statistical data that we obtained at the Federal Ministry of Labor and Social Affairs confirm that the acceleration of the growth in the number of unemployed in June was no coincidence (between January and May, the rate of growth was slowing down, albeit moderately).

In July, the number of unemployed in the CSFR increased by another 62,000, to 362,673, which was the greatest increment in percentage terms since the beginning of the year. The number of unemployed was 20 percent higher than in June, and the rate of unemployment reached 4.6 percent. In Bohemia and Moravia, the rate of unemployment increased from 2.6 percent in June to 3.1 percent in July. A total of 165,599 people in the Czech Republic were jobless at the end of July. The number of unemployed in Slovakia increased drastically in July, following a stagnation in June; a total of 197,074 persons are now jobless in Slovakia, which translates into an unemployment rate of 7.7 percent. This represents a truly dramatic rise since June, when the rate of unemployment in Slovakia was 6.3 percent.

The increase in the number of unemployed in July was accounted for mainly by this year's school graduates. There were around 200,000 of them at schools of all types in the CSFR, and 49,448 of them are registered as unemployed. In view of the fact that, obviously, many of the recent school graduates are enjoying their last holiday, the number of unemployed from their ranks can be expected to climb even higher in August and September. Even in this area, the situation in Slovakia is worse than in the Czech lands. While 20,000 school graduates are unemployed in the Czech Republic, 30,000 are registered as unemployed in Slovakia.

[Bratislava NARODNA OBRODA in Slovak on 16 August on page 13 reprints a 200-word Prague PRACE in Czech article on the latest unemployment figures. According to the article, which was reportedly published in the 15 August issue of the Czech trade union daily, 190,786 of the 362,673 persons registered as unemployed at the end of July were women and 19,723 were handicapped persons. The number of unemployed blue-collar workers (231,581) exceeded the number of unemployed white-collar workers (131,092).]

Electricity Prices To Rise 70 Percent in October

AU2108131891 Prague CTK in English 2000 GMT 19 Aug 91

[Text] Prague Aug 19 (CTK)— The Czechoslovak Government Financial Council decided today to raise the cost of electricity for individual consumers by 70 percent from October 1.

Federal Finance Minister Vaclav Klaus told journalists that the rise will amount to a monthly average of 26 crowns per consumer. After the rise, private consumers will pay only 59 percent of the price paid by businesses.

[A Prague HOSPODARSKE NOVINY in Czech report on the above decision, published on 20 August on pages 1 and 2, specifies that, currently, private consumers pay only 35 percent of the electricity price paid by businesses. The HOSPODARSKE NOVINY report quotes Klaus as saying that the situation in Czechoslovakia is an anomaly, as "everywhere in the world" private consumers are charged a higher price than businesses.]

Klaus Views Privatization, Free Trade Zones

AU2208070391 Prague HOSPODARSKE NOVINY in Slovak 15 Aug 91 pp 1, 3

[CTK report: "Vaclav Klaus: Everyone Has a Chance"]

[Text] Vaclav Klaus, federal minister of finance and chairman of the Civic Democratic Party [ODS], arrived for a one-day working visit to East Slovakia yesterday.

He made use of his stay in Kosice, where he held talks with representatives of the city on the course of small-scale privatization and the problems of the city's development, for the first-ever regular ODS briefing held outside Prague. V. Klaus described the unjustifiably high prices of some merchandise as a phenomenon of the period of transition, which, in his opinion, cannot last in the long run because market forces will start functioning. Commenting on the large number of Dutch auctions within small-scale privatization [in which the price of auctioned businesses is bid down, rather than up], he said that the government's aim is not to gain the greatest possible proceeds from privatization but to transfer businesses into the right hands and thereby fundamentally change the quality of services extended to citizens. He once again rejected the theses about dirty money and nomenklatura cadres [dominating the privatization process] and about the need for some sort of false "cleanliness" of the privatization process. He stressed that everyone has a chance [to bid for businesses being auctioned off] who manages to convince the bank of the effectiveness of his entrepreneurial plans. He also commented on the efforts of some regions and cities to establish duty-free zones and free trade zones. He described these efforts as conceptually flawed because, in his opinion, this would render the regulation of foreign trade by means of customs duties completely impossible.

Danco: Budget Unable To Finance Community Needs

AU2208071191 Prague HOSPODARSKE NOVINY in Slovak 15 Aug 91 p 2

[CTK report: "Communities' Needs Exceed Their Budgets; From a News Conference With Slovak Minister of Finance J. Danco"]

[Excerpts] "Because the dynamism of state budget revenues falls short of the projected trend, communities and cities must be prepared to have to cover their expenditures from their own revenues," Jozef Danco, minister of finance of the Slovak Republic, stressed at a news conference yesterday.

As Jozef Danco went on to say, the needs of the 2,850 Slovak towns and communities far exceed their budgets. At the same time, they often lack even standard equipment. [passage omitted] According to J. Danco, the needs of Slovak towns and communities exceed the resources of the state budget up to 20 times. Because the state budget is based on anti-inflationary and restrictive foundations, as other leading officials of the Slovak Ministry of Finance told the news conference, it will be only a supplementary source for financing communities. The fundamental taxation reform, whose introduction is planned for 1 January 1993, provides, for example, for a real estate tax that will be one of the sources of communities' income.

Most of the objections raised by representatives of towns and communities who attended the news conference concerned the generation of revenues. In their opinion, the 13 percent of the wage tax that they receive is far too little, and this proportion should be raised to roughly 40 percent. Likewise, they deem their income from local fees to be insufficient. Furthermore, they raised a number of suggestions concerning the communities' property and their chance to engage in entrepreneurial activity, also in view of the disintegration of services. [passage omitted]

Slovak Government, Trade Unions Discuss Economy

AU2208081691 Bratislava NARODNA OBRODA in Slovak 17 Aug 91 pp 1, 2

[A. Capkova report: "A Comprehensive Inventory of Problems"]

[Text] Bratislava—"A comprehensive inventory of problems" was how Slovak Deputy Prime Minister Anton Vavro characterized the contents of yesterday's day-long meeting between representatives of the Slovak Government, led by Prime Minister Jan Carnogursky and representatives of the republican Confederation of Trades Unions [KOZ] in Bratislava.

CSFR Deputy Prime Minister Vaclav Vales also participated in this first meeting between both sides since Kolodeje (only the third partner in the tripartite talks—an employers' representative—was missing). Czechoslovak KOZ President Roman Kovac put the contents of the meeting into four categories: development and winddown programs for enterprises and unemployment policy; marketing our products on domestic and foreign markets and, at the same time, protecting our market; the economic situation facing Slovak enterprises; and a standard of living policy.

According to him, the aim of the meeting was not to come to a specific conclusion, but—first and foremost—to clear up some contentious issues that will be rectified at the next tripartite meeting in the Council for Economic and Social Accord. A. Vavro also expressed himself in the same spirit when he said that the trades unionists' questions were not new to the government and that it has prepared the measures necessary to resolve social and economic problems. He described rising unemployment as the most sensitive issue.

He also replied to the journalists' unasked question on the problems associated with marketing our products in the Soviet Union. He characterized this issue as an element of the general problem associated with our economy's export capability. "Our only chance is strong export expansion onto all solvent markets. Our economy's enemy was not present in the conference room; our economy's enemy is everyone who is better than us," remarked A. Vavro.

Journalists should have left yesterday's press briefing at the Slovak Government Office with the impression that all the problems have been clarified and that the means of resolving them are being considered. Therefore, only one question remains: May we hope that citizens will begin to breath more easily as soon as possible?

Antall Comments on USSR Events, Yeltsin's Role

LD2208014191 Budapest MTV Television Network in Hungarian 1730 GMT 21 Aug 91

[Studio interview with Prime Minister Jozsef Antall by unidentified correspondent on 21 August—live or recorded]

[Text] [Correspondent] Good evening, Mr. Prime Minister. If I am right, you came to the studio straight from the National Security Committee session. Why was it necessary for the crisis committee to meet after the positive turn of events?

[Antall] This is, in fact, not a crisis committee. It is not a national security committee, but the National Security Cabinet of the government that, headed by the prime minister, includes the foreign minister, defense minister, minister for the interior, minister without portfolio responsible for national security, and, as necessary, the relevant economic ministers, minister of transport, and so on.

This morning, I summoned the cabinet to meet this afternoon so that we could evaluate the situation as it developed, and so that I could inform the cabinet members of the measures that might become necessary.

[Correspondent] So you had no presentiment that this is how the putsch would end?

[Antall] Presentiments we could not have had, but I think that from the very beginning I stated on every occasion that this was a story that was not yet played out, in which the Hungarian Government did not regard the person of Gorbachev written off. This was also the basic tone of our discussions with Chancellor Kohl and President Bush.

In addition, this morning I spoke to President Havel, and later with President Walesa. We decided that, if it became necessary, then simultaneously with the conference of prime ministers or heads of government of the EC member states, we would also have a meeting. This is now not topical, but we discussed this as well.

This afternoon I had a conversation with Yeltsin. We had begun the discussion in the morning, but meanwhile, the Russian Supreme Council was meeting, and the discussion with Yeltsin, which lasted around 20 minutes, took place around 1500.

[Correspondent] According to this, at the cabinet meeting, you in practice took stock of the situation ?

[Antall] Yes, we took stock, and also stated the position of the government.

[Correspondent] Briefly, what was this, if I may ask?

[Antall] The position of the government is that Hungary unchangingly supports the democratic forces and the continuation of the reforms. I think this is important, and, indeed, Yeltsin himself asked for continuous moral support from the democratic governments and for it to be emphasized that our government also supports this process. At the same time, he informed me that he had had discussions with the presidents of the Ukraine and Kazakhstan, and that they were all committed.

At the same time, however, in answer to my question, he replied that he could not yet talk to Gorbachev personally, but these bandits were on their way...

[Correspondent, interrupting] Did he phrase it like that?

[Antall] Yes, he did—they are on their way by plane, he said, but his people—the prime minister, the Russian prime minister was on his way to the Crimea.

Most recently, I can disclose, Soviet Deputy Prime Minister Shcherbakov called on the Hungarian ambassador and, we understand, on the ambassadors of the London Seven and informed them that both he and the members of the Soviet Government have always recognized Gorbachev as head of state, and, in addition, recognize Lukyanov, who is the president of the Federation Council. So, in this way, he stated that the Soviet Government will continue and, even then, recognized only this position as constitutional.

By the way, from the very beginning, we also spoke in favor of the constitutional order. In this, naturally, we were in agreement with Yeltsin, who thanked us very much for the support and encouragement that we had provided during the day. At that time, Gorbachev was not yet on his way to Moscow.

[Correspondent] You no doubt know that certain people understood or interpreted the words of the Hungarian ambassador in Moscow yesterday evening to mean that the Hungarian Government had, in the meantime, established contact with the junta.

[Antall] The Hungarian Government did not establish contact of any kind. It would be unbelievably asinine to assert this. Certain people may again take offense at my choice of words. The Hungarian Government did not estblish any kind of contact of this nature. The Hungarian Government formulated the stance that it wished to put forward as a joint national policy, in coordination with the six political parties. We presented this position. According to our information, the ambassador in Moscow did not make any kind of contact with the members of the junta. In my opinion, he would not even have had the means to make contact with them, had he wanted to do so.

As the press also reported, Soviet Ambassador Aboimov, in the evening two days ago, handed over the statement signed by Yanayev that was handed to every head of state and government. I took it from Ambassador Aboimov. He handed it over without saying much at all, and I reacted in a similar way, saying that we would study this document.

[Correspondent] Let us turn to another misunderstood statement, misunderstood accidentally or deliberately.

This is in connection with the interview in which you said you were now glad that it was Yanayev who had signed the agreement relating to the dissolution of the Warsaw Treaty Organization. Certain people took this to mean that you had legitimized the junta.

[Antall] Well, nothing can be done about those people who do not understand humor or satire. I think that what this comment of mine meant in this case was clear enough. It meant that Yanayev—and this is what I said too—that I was specially pleased that it was Yanayev, featuring then as a member of the junta, who had signed, and with this had been representing that united stance which at the time was represented by both Gorbachev and us. I think that a sensible person would find it difficult to object to this.

Naturally, it is entirely clear that a coup attempt failed in the Soviet Union. However, it is obvious that, in the wake of such an event, things can not go on exactly as they did before. My consultations with President Bush and others in recent days and hours have made it unequivocal that regardless of anyone's earlier reservations or opinions of any kind about President Yeltsin, in this situation President Yeltsin is the owner of the crystallization point [as heard]. This was clear to everyone. Thus, Yeltsin, in fact, became the leading character in the whole of this coup attempt. We could easily say, even if every comparison is odious, that he played some sort of role like the Spanish king in the Spanish coup attempt at the time. Also, he kept up his contact both with the Ukraine and the Baltics; as he said, he could not manage to order the soldiers back from there at that time yet, but otherwise, he said, the Army sided with him to a considerable degree. As is clear today, the contact between Yeltsin and the leader of the KGB was obviously continuous and an agreement could also have taken place.

[Correspondent] I would like your opinion briefly. In your opinion, 60 hours after the event, will the alliance relationship between Yeltsin and Gorbachev become unequivocal?

[Antall] Well, I think that political relations and links are always based on interests. Even representing such a different political concept or trend, it will also be clear to President Gorbachev in the next period what the role of President Yeltsin was. I believe that, in this new situation, the strengthening of Yeltsin will come about in every way, and the federative system of the Soviet Union will be put on to new bases. President Gorbachev's international prestige will probably contribute to ensuring the stabilization of the Soviet Union. However, at the same time, it is possible in politics that this coup attempt, as happened in Spain, for example—and I said that this comparison is inappropriate from several points of view—will clarify certain circumstances and the contradictions or the differences in emphasis. This was perhaps impossible for Gorbachev to state in the past period, or perhaps Shevardnadze or other reformers said it instead of him. Now there is an opportunity to carry on a much more unequivocal policy, too. Of course, the million dollar question is this: Who will be able to provide food and consumer goods in the Soviet Union, and who will be able to solve the problems of the Soviet economy? We are greatly interested in this also. Furthermore, I consider it very important to repeat that the crisis of the Soviet Union cannot push the Yugoslav problem into the background, since these two questions are connected in a certain way. This kind of military coup attempt must not be supported anywhere and it has to be rejected everywhere. I would consider this very important.

[Correspondent] Mr. Prime Minister, thank you for coming to the studio.

Jeszensky on Cooperation of 'Visegrad Three'

LD2108181191 Budapest Kossuth Radio Network in Hungarian 0500 GMT 21 Aug 91

[Text] The European foreign ministerial conference on the human dimension, due to take place in about two weeks' time, will not be held in Moscow, it was stated by Geza Jeszenszky in an interview granted to Hungarian radio. Beyond the general solidarity of the international community, the Hungarian foreign minister considers important the coordination of the policies of the Visegrad Three—Hungary, Czechoslovakia, and Poland—in regard to the crisis.

[Begin Jeszenszky recording] The Visegrad Three are on the frontier, or should I say frontline. We hope that in no way will this get any closer to becoming a frontline. This has an external effect as well, which is that it is again seen that these three countries, which are important economic partners for the Soviet Union and an important market, take a stand that signifies as much as that of a more distant, larger European country.

The other thing is that through cooperation we can continue to set an example. This drama scares many people, but it also brings a kind of awakening, perhaps in internal factors as well. People wake up; they realize that they have been living in a kind of [word indistinct], that it makes no difference whether Hungary is a member of the Warsaw Pact or not. According to my conviction, Hungarian society has only just awakened to what is meant by 30 June [the date of Warsaw Pact dissolution]. The other two countries, just like us, see all the more the importance of our cooperation in light of the events. Relatively tiny and exaggerated disputes, such as the Gabcikovo power plant, must not obstruct the our relationship. Much bigger stakes are at issue here. [end recording]

Assembly Chairman Reviews Achievements, Agenda

AU2108120991 Budapest NEPSZABADSAG in Hungarian 18 Aug 91 p 17

[Interview with National Assembly Chairman Gyorgy Szabad by Lajos Pogonyi; place and date not given: "We Were Contracted To Work And Not To Enjoy Ourselves"]

[Excerpts] [passage omitted] [Pogonyi] How would you assess the almost one and a half years of legislative activities?

[Szabad] We often say, sometimes tritely, that Hungary is undergoing historic change. All those who play determining roles in the changes—the legislative parties, those outside the Assembly, and the various political personalities—do not doubt that a legislative democracy is being formed in Hungary. I mean that the formation of a legislative democracy is a process, and it consists of very many factors.

[Pogonyi] What are they?

[Szabad] I would like to mention the most important ones. We had to establish a new legislative system, and in the beginning, we did this the way Baron Munchausen [German historical figure famous for tall tales] would have done it. We also had to ensure that the governmental systems responsible to the Assembly functioned, and we had to establish the role of the president of the Republic; now this role should be fulfilled. We had to dismantle the Soviet-style council system and set up a democratic system of local governments. To do all this, we needed a series of laws, which occupied our National Assembly for a long time. We had to lay the foundation for a series of judicial reforms and, last but not least, facilitate the operation of the Constitutional Court. In my view, our legislature's greatest achievement was the establishment of a constitutional state and, later, the consolidation of its framework.

[Pogonyi] Many people think that the Federal Assembly is a huge law factory that is pouring out laws. In the view of others, the legislators seem to have been too late in creating laws necessary for changing the economic system; instead, ideological and political legislation predominated.

[Szabad] The laws needed for the establishment of a constitutional state predominated the first half of the one and one-quarter years of our legislative period because, first of all, we had to create the framework in which we could contribute to the legislative advancement of our economic and societal transformation. Since then, our National Assembly has been making laws to stabilize the constitutional state, as well as laws that will hopefully help make our economy and society more dynamic. Several laws of the latter group were passed in the first six months. For example, we passed laws to re-regulate the sale of land, to promote foreign capital investment, and to regulate price and market conditions. Similarly, we legislated on the conditions of privatization in trade, catering, and certain categories of enterprises, also on social security, the promotion of employment, retraining, and securing unemployment benefits. This period of operation of our freely-elected National Assembly was ended by the budget debate. After that, the focus shifted to laws aimed at the transformation and development of our economy and society. In a word, our legislature is trying to fulfill its dual task of stabilization and stimulation simultaneously. [passage omitted]

[Pogonyi] In your view, what other laws will have to be passed in 1991?

[Szabad] My colleagues and I will submit concrete suggestions for the end-of-summer sessions. The social security system will have to be revised completely. To do this, we will need a whole series of laws, ranging from provision for the sick to the reform of the pension system. The bill on state finances will not only affect the financial administration, the budget, and the tax system, but also the lives of all citizens. The laws on financial institutions will be a very important part of our economic legislation because we will be able to overcome the bureaucratic difficulties burdening our current credit policy, which people often and justly complain about. When the National Assembly reconvenes at the end of the summer, it will deal with additional support for people with low pensions and families with children and with partial compensation for the energy price increase. [passage omitted]

[Pogonyi] Mr. Szabad, both in Kisber and in Szerencs, pathetically few citizens turned out to vote at the last two by-elections. What was the reason for that? Was it that people have started to get disillusioned with the democratic institutions, the legislature, and the parties, or was it something else? Are you worried that the continuation of this trend might favor forces outside the Assembly?

[Szabad] I see this issue differently. I believe this is a complex issue. For example, the fact that people were occasionally called to vote without any reason at all had a discouraging effect. What happened was not really disillusionment, but rather, people did not understand the essence and the necessity of parliamentarism during the decades of dictatorship. People did not become disappointed with elections but have not really realized that through elections they have an opportunity to have a say in politics. [passage omitted]

Fur Outlines Army's Financial Situation

AU2108124391 Budapest NEPSZABADSAG in Hungarian 18 Aug 91 pp 1, 5

[Interview with Defense Minister Lajos Fur by Akos Toth; in Balatonkenese, on 17 August: "The Army's Financial Situation Is Serious"]

[Text] A three-day series of festivities began in Balatonkenese on 17 August on the occasion of the 1,000th anniversary of this village. The event was opened by Lajos Fur, who granted an interview to NEPSZABADSAG:

[Toth] Mr. Fur! Many different views and concepts have been published about the new defense policy. Please, sum up the essence of it.

[Fur] The new defense policy draft is part of the security policy concept, and it regards the Armed Forces as a final means of defense that can guarantee Hungary's security. The defense policy includes the new structure of the Hungarian Army, its use, and the system of structural and technical reorganization.

[Toth] One hears that it may possible to halt the financial deterioration of the Hungarian Army by 1993, with the situation possibly even improving by then.

[Fur] I think we can count on real improvement in this area around 1994-1995. Only slight improvement can take place in 1993. In 1992, we must maintain the minimal level that our budget has refused this year. One should not forget that the Hungarian Army is currently in a very serious financial situation.

[Toth] We also reported recently that Istvan Csurka declared that the Defense Ministry supported the idea of a foundation initiated by the Federation of Former Political Prisoners [POFOSZ].

[Fur] The POFOSZ would like to set up a foundation to benefit people persecuted politically between 1945 and 1956. Both the Defense Ministry and I personally support this idea. In those years, a lot of officers were persecuted, irrespective of their political affiliations. Obviously, the new foundation aims to provide financial support to these unfairly persecuted people, and the Defense Ministry would also like to contribute to this foundation this is legally possible. Naturally, we can only contribute in accordance with our modest resources.

[Toth] How much money are we talking about?

[Fur] We can only speak of tens of thousands of forints, not millions.

USSR Begins New Round of Withdrawal Talks

LD2108174591 Warsaw PAP in English 1046 GMT 21 Aug 91

[Text] Warsaw, aug. 21—Poland and the USSR began Wednesday forenoon the 11th round of negotiations on the withdrawal of Soviet troops based in this country. The talks are expected to last three days but they may end earlier, officials said.

Soviet Troop Train Leaves Country

LD2108175491 Warsaw Radio Warszawa Network in Polish 1500 GMT 21 Aug 91

[Text] The first train carrying Soviet troops, which left Bialogard yesterday, has already left Poland. A few minutes after 1300, after the Polish frontier services had finished inspecting the train, the entire consignment left for Mamonovo on the Soviet side of the border.

Bielecki Heads Liberal-Democratic Candidate List

AU2208065891 Warsaw RZECZPOSPOLITA in Polish 16 Aug 91 p 2

[T.R. report: "The Prime Minister At The Head Of The KLD List"]

[Excerpts] Prime Minister Jan Krzysztof Bielecki is top of the list of Liberal-Democratic Congress [KLD] parliamentary candidates for the Warsaw constituency. This list also includes other KLD government members—Andrzej Zarebski, Robert Glebocki, and Janusz Lewandowski, as well as a few politically unaffiliated government members—Michal Boni, Krzysztof Zabinski, and Ewaryst Waligorski.

The KLD will post its voting lists in all constituencies. The average age of the candidates is about 30, which, in the opinion of chairman Donald Tusk, could be a trump card. The KLD is facing the election alone, without entering into a coalition with any other party, but it will have allies in the form of KLD regional associations. In Upper Silesia, one-third of the candidates on the KLD list belongs to the KLD Upper Silesia branch, and the KLD Gdansk list is headed by the Kaszuby-Pomerania branch to which Donald Tusk also belongs. [passage omitted]

Donald Tusk believes that the KLD will win 10 percent of the votes in the election. In his opinion, the Democratic Union will have the most votes, and "Solidarity" will be one of the strongest forces in the Sejm.

The collection of signatures in support of candidates is running into difficulties, says Tusk. This applies particularly to candidates for the Senate, and affects every single party. Tusk thinks the election will be in the nature of a showdown because many of the political groups that have already registered their election committees may fail to get the required number of signatures.

Maziarski on Possible Center Accord Candidates

AU2208070091 Warsaw GAZETA WYBORCZA in Polish 16 Aug 91 p 5

['LAW'-signed report: "Center Accord Candidates"]

[Text] The Center Accord, which is entering the elections in a coalition along with the citizens committees and R. Bartosz cze's "Patrimony," has still not finalized its lists of candidates, although it intends to submit a full list for every district. At the present time, it is not even known where the party's leader, Jaroslaw Kaczynski, will be standing.

As Jacek Maziarski, the head of the Center Accord Main Administration, told us on 13 August, the party is hoping that one-third of its candidates will obtain seats. "The remainder," he said, "do not have much of a chance."

About half the persons on the Center Citizens Accord lists are members of the Center Accord. The rest are members of citizens committees, "Solidarity," and Bartosz cze's party.

It is still not known where the most important candidates from the Center Accord's viewpoint will stand: the party's leader Jaroslaw Kaczynski (who will definitely not be standing in Elblag, where he stood in the previous election), Construction Minister Adam Glapinski, and Jan Olszewski.

Maziarski was not able to confirm beyond any doubt whether Olszewski will start out in Poznan, as initially envisaged, against Tadeusz Mazowiecki, the head of the Democratic Union.

Who the Center Accord will field in the most prestigious district, Warsaw, remains a mystery. Candidates in the Warsaw district include Prime Minister Jan Krzysztof Bielecki of the Liberal-Democratic Congress and Jacek Kuron, deputy chairman of the Democratic Union. One certain candidate in the capital is Andrzej Urbanski, head of the Warsaw Center Accord and the entire party's general secretary. No doubt one of the trio of Kaczynski, Olszewski, and Glapinski will also start out in Warsaw.

There is no doubt that Slawomir Siwek and Teresa Lisz cz, who both work in the Presidential Chancellery of the Republic of Poland will stand in the elections, as well as Jerzy Eysymontt, the head of the Central Planning Administration. As Maziarski told us, decisions are still to be made about the districts that they will be standing in.

On the other hand, the districts where the following candidates will be standing for election to the Sejm are known: Andrzej Kostarczyk, undersecretary of state in the Ministry of Foreign Affairs and a member of the Center Accord Political Council, and Andrzej Dziubek, head of the Center Accord parliamentary circle, will both be standing in Czestochowa; Andrzej Kern will be standing in Lodz; Deputy Grazyna Langowska will be standing in Olsztyn; Senator Antoni Tokarczuk will be

standing in Bydgosz cze; Adam Bybinski will be standing in Wroclaw; Senator Bartlomiej will be standing in Torun and Wloclawek; Michal Drozdek will be standing in Krosno and Przemysl; Slawomir Dabrowski will be standing in Siedlce; and Ludwik Dorn will be standing in Tarnow. However, the head of the Center Accord Main Administration warned that changes might still be made, because the party's secretariat was not able to get in touch with all the persons mentioned.

Maziarski said that Professor Stefan Kurowski, member of the Center Accord Political Council, presidential adviser, and an economist at the Catholic University of Lublin, will be seeking election as senator for Plock.

The Center Accord lists will contain two further presidential advisers, although they will be citizens committee candidates: Wojciech Wlodczaryk, secretary of the National Citizens Committee (who will stand in Lublin), and Zdislaw Najder, head of the National Citizens Committee (it is still not known which district he will be standing in). "We put forward Najder, although the issue is a sensitive one," observed Maziarski. It should be borne in mind that the Constitution requires candidates to have been resident in Poland for the past five years, but Najder only returned to Poland in 1989.

Number of Registered Political Parties Now 105

AU2208065691 Warsaw RZECZPOSPOLITA in Polish 17-18 Aug 91 p 1

[Text] PAP—The register of political parties kept by the Voivodship Civil Court in Warsaw already contains 105 political parties. Ten new parties were registered over the past six weeks.

Party number 105 is the Party for the Protection of Private Property, with its seat in Poznan. Other recent arrivals are the "Patrimony" People's Christian Forum, chaired by Roman Bartoszcze; and two "pro-Mikolajczyk" groups—one calling itself the "Peasant Party," based in Kalisz; and the other, the "Polish Peasant Party," in Warsaw.

Party Secretary Interviewed on Political Stability

AU2208065991 Warsaw ZYCIE WAERSZAWY in Polish 17-18 Aug 91 p 3

[Interview with Jan Krol, secretary of the Parliamentary Club of the Democratic Union, by Henryk Jerzmanski; place and date not given: "Continuing Forward"]

[Excerpts] [Jerzmanski] Do you agree with the thesis that we are facing a disintegration of the state and a progressive anarchy?

[Krol] No, I think that is an exaggeration. But I do agree with those who say that our state is weak and that this weakness could be dangerous because that is what might lead to anarchy and subsequently might provide a temptation to seize power. Needless to say, I do not see any repetition of 1981. There is no political or executive force in Poland capable of exercising authoritarian rule, neither the Army nor the police, apart from which, that would mean an end of the reforms and a drama not just for us, but for the whole of Europe. One must consider what is happening on the international arena, especially between the United States and USSR. That arouses hopes.

Our state's weakness is, to a considerable extent, the result of the profound transformations we are undergoing. But, and this ought to be stressed, it is also the result of the erasure of the divisions between the legislature, executive, and judiciary. Of these three authorities, it is the judiciary that is achieving independence first. One should also remember local government authorities that have still not attained for themselves the position they deserve. [passage omitted]

[Jerzmanski] However, many people claim that the key to Polish democracy lies not so much in politics as in the economy.

[Krol] That is a complicated matter. We are experiencing a great trial, and we must answer the question whether it is at all possible to implement such drastic reforms under democratic conditions. For the time being, we are succeeding. I think everything depends on cultural factors. If we had a totalitarian system, we would have no chance of establishing a market economy. Social support is required for reforms like these. [passage omitted]

[Jerzmanski] You have a relationship with Prime Minister Bielecki's Liberal-Democratic Congress?

[Krol] Yes, especially on economic issues. The important thing is that we communicate. We deal with objective matters, not personal arrangements. Obviously, our approach toward social matters differs from that of the Liberal-Democratic Congress, and we think that party's program pays too much attention to social topics. We ourselves refer to Christian values. But generally speaking, we are in loyal opposition to a government that consists mainly of liberals, and wherever the reforms are discussed, we lend the government our full support. This can be observed particularly in the Sejm, where we usually vote for very difficult legislation. In this spirit we, as a parliamentary club, also hold regular consultations with Prime Minister Bielecki, and I think these consultations serve both sides well. We were the only group to respond to the Liberal-Democratic Congress appeal to form an alliance for the elections to the Senate. The center Accord rejected the offer.

Council of Ministers Deputy on Official Privileges

AU2208070191 Warsaw RZECZPOSPOLITA in Polish 17-18 Aug 91 pp 1, 2

[Renata Wrobel report: "A Country of the Privileged?"]

[Text] "Special privileges resulting from holding a post in the state authorities are no longer as attractive as they

used to be," said Ignacy Dudojc, under secretary of state in the Office of the Council of Ministers, at a news conference on Friday. He mentioned as an example the "special store" on Milobedzka Street. "I do not know if this store still exists, but in any case, the goods it stocked in the spring were no better or cheaper than in other outlets in the vicinity," he said.

Until recently, persons holding high-ranking government posts were entitled to an apartment for life, but nowadays the apartments of such persons are connected to a particular post and have to be vacated upon termination of employment, which is why these apartments are maintained and furnished at state expense. "Neither do ministers receive any housing allowance to pay for their rent and telephone bills, and some of their official apartments do not even have telephones," Minister Dudojc added.

Anyone who succeeds in getting on the waiting list can enjoy access to government recreation centers, but, in Dudojc's opinion, standards in these centers are average, and the costs, even for members of the government, similar to prices elsewhere.

"The Office of the Council of Ministers has fewer cars now," said Minister Dudojc. "There used to be 300, but now there are only 100. We have even discovered a rule that permitted ministers and vice ministers to have two cars."

However, Minister Dudojc did not rule out the necessity of purchasing new ones because the government's fleet of Polonez cars is rusting away, and the four-year-old Lancias are also wearing out.

"The question of government health facilities also requires a solution," said Minister Dudojc. "While there is no doubt as to the need for such a facility for high-ranking government officials, the number of people entitled to use it, currently 16,000, should be reduced, and a major part of its equipment, especially in the field of diagnostics, should be made available to other hospitals."

Government Statement on Coup Failure in USSR

AU2208111891 Bucharest Programul Unu Radio Network in Romanian 1000 GMT 22 Aug 91

["Statement by Government Spokesman Mihnea Constantinescu" in Bucharest on 22 August—recorded]

[Text] The Romanian Government has learned with satisfaction about the positive development of events in the Soviet Union, which ended in the failure of the state coup, the reestablishment of constitutional power, and President Gorbachev's resumption of his position.

As is known, immediately after the events, the Romanian Government reacted promptly and clearly, although Romania was the closest to them. The statements of the government and of the prime minister were very well received throughout the world. The statement made by the prime minister, live on French television on 20 August at 1400, was retransmitted during the evening and the night both in France and in other Western countries. The prime minister had a number of telephone contacts beginning on 20 August. He had one with Mr. Roland Dumas, minister of foreign affairs of France, and the two sides agreed that Foreign Minister Adrian Nastase be received by President Francois Mitterrand. He talked with Mr. Manfred Woerner, who was on the point of meeting Mr. James Baker. The Romanian prime minister asked the NATO secretary general to publicize in the United States Romania's clear and firm position on the events under way in the Soviet Union. He also talked with the general director of the International Monetary Fund about the continuation of this body's support for the reform process in Romania.

On the whole, we may say that the firm position held by the government and the prime minister outlined a very clear image of Romania's unequivocal position, which may be equal to humanist and democratic values and to the values of the Western world. Expressing his confidence in the resumption of the natural course of democratic life and of the reform process in the Soviet Union, the Romanian Government expresses the hope that economic and trade relations between our countries, which have yielded positive results, may firmly continue to the benefit of the two countries and to the benefit of the economic and trading agents.

We hope that the failed putsch is a significant sign for those who still think that the sovereign republics in the Soviet Union—particularly the Republic of Moldova—may be treated as mere subordinate republics. We believe that the full recognition of democratic institutions and of the democratically elected leadership in the Republic of Moldova constitute a guarantee for positive relations between Romania and the Soviet Union.

Hailing the victory of the democratic forces in the Soviet Union, the Romanian Government reaffirms its viewpoint according to which the preservation of the democratic course and of the reform process in the countries in this part of Europe depends on the support and encouragement of states with democratic traditions and with developed economies throughout the world.

Iliescu Congratulates Yeltsin, Praises Democracy

AU2108195891 Bucharest ROMPRES in English 1911 GMT 21 Aug 91

[Text] Bucharest, ROMPRES 21/8/1991—Romania's President Ion Iliescu referred to the events in the USSR, on August 21 evening on the Romanian television. He said he had a telephone talk with President Boris Yeltsin of the Russian Federation, whom he congratulated and conveyed feelings of solidarity with the democratic forces that managed to thwart the coup, as well as his personal appreciation of the role Yeltsin assumed and played on these days. On the occasion, President Yeltsin told the Romanian president he had had a telephone talk with President Gorbachev who was in good health condition and was expected to arrive in Moscow.

President Iliescu added that he had a telephone talk the same evening with President Mircea Snegur of the Republic of Moldova, who told him that the republic's population was ready to defend its independence and that he was optimistic about the positive evolution in Moscow, that will show also in the situation in Moldova.

Another telephone talk of the Romanian head of state on the same theme was with French President Francois Mitterrand. As a matter of fact Romanian Foreign Minister Adrian Nastase is in Paris, with a personal message for the French head of state. Similar messages were conveyed also to other heads of state and government, including Japanese Premier Kaifu.

President Iliescu reiterated Romania's attachment to the values of democracy, the option for the irreversible course taken after the December 1989 revolution.

Statistics, Measures To Curb Unemployment Viewed

AU2108123591 Bucahrest ROMPRES in English 0950 GMT 21 Aug 91

[Text] Bucharest ROMPRES 21/8/1991—According to Mr. Alecu Constantin, secretary of state at the Ministry of Work and Social Protection, head of the Workforce and Unemployment Department, in Romania there are about 155,000 unemployed of whom 5,800 are graduates (the majority of them engineers).

Although in comparison with the total workforce of over seven million people the percentage of the unemployed is low, this situation is worrying by its evolution: In April there were 51,139 unemployed (of whom 2,008 graduates) while in June there were 95,867 unemployed (of which 3,772 graduates).

Also worrying is the employed-unemployed ratio of 1:6 nowadays (during the last week other 6,000 unemployed were recorded while only 1,000 of the recorded unemployed were given jobs).

The most heavily hit by unemployment are the youths. Mr. Mihnea Marmeliuc, minister of labour and social protection, anticipated that in 1991 the unemployed would reach 650,000 (this figure will be reached when the graduates of various learning institutions add to the present workforce).

To this end a series of measures were adopted at governmental level, among which the setting up of the special department headed by Mr. Alecu Constantin within the Ministry of Labour and Social Protection.

As far as the about 140,000 high-school graduates are concerned, the government takes into consideration the continuation of their studies by about 40,000 of them, while the others will be employed to continue their training. During the first nine months of their employment by various state or private economic agents, 60 percent of their salaries will be ensured by the government from the fund for unemployment allowance while the rest of the salaries is ensured by the respective economic agents. As far as the faculties graduates are concerned, the government ensures 70 percent of their salaries for the first six months of employment, the rest 30 percent being ensured by the economic agents.

The measure was necessary because, according to certain data published in May, only 200 jobs were foreseeable at that time for the almost 10,000 future graduates of higher technical institutions.

On the other hand, on the basis of a governmental resolution given this spring, courses of training and re-training for the unemployed are to be organised in centres of enterprises or institutions (autonomous units, commercial companies, small enterprises, profit-making associations, public and private learning institutions). The unemployment allowance continues as long as the course is organised.

The minister of labour and social protection specified that a social security bill is under elaboration. The new law will establish the financing sources for social securities and pensions by applying a quota of corresponding contributions or by fees in the case of those working privately as well as by subsidies from the state budget.

July Economic Performance, Exports Reviewed

AU2208103891 Bucharest ROMPRES in English 0920 GMT 22 Aug 91

[Text] Bucharest, ROMPRES 22/8/1991—Romania's industrial production dropped 11.2 percent in July as to the previous month, with poorer results being recorded in the extractive industry and in the sectors manufacturing investment equipment. Over the first seven months of this year the industrial production index stood at 82.8 percent from the same period last year, shows the Public Information Statistics Bulletin No. 7 issued by the National Statistics Commission, further mentioning: The low production level in the first half of this year has brought about an underutilization of production units in many spheres of activity. Considering the 170 basic products and groups of products the utilization degree was under 50 percent with 51 of them, between 50 and 70 percent with 59 and between 70 and 80 percent with the other 32. The indigenous and imported primary energy resources continued to decrease in July, a bigger deficit (24.3 percent) being registered as to the similar period last year.

Export grew in July from the previous month following a larger (14.8 percent) convertible-currency-based volume. A trade balance surplus was achieved in the same month owing to reduced (25.8 percent) convertible-currency-based imports. However, the trade balance over the past seven months shows a deficit in the convertible-currency relationship, export earnings accounting for 64.9 percent of imports. The volume of arrears under the contracts concluded with foreign partners was 16.5 percent bigger at the end of July as to the end of the previous month. In investment, the achievements in July are superior to the previous months. Yet, the rate of activities is unsatisfactory, since the achievements scored in the last seven months of this year are 30 percent smaller as to the same period last year. By the end of July only 9,893 state-funded flats were made available in comparison with 26,392 built in the first seven months of 1990. In the first half of 1991, the population was sold 287,156 houses built from state funds. In comparable price terms, retail sales decreased about 30 percent as to the same period last year. The consumer goods price index rose 9.5 percent as to June this year, while real wages dropped 12 percent or so.

By the end of July 1991, 25,554 commercial companies and 470 public corporations were set up, as well as 3,275 commercial companies with foreign capital.

National Bank Acts To Ensure Money Flow

AU2108124291 Bucharest ROMPRES in English 1131 GMT 21 Aug 91

[Text] Bucharest, ROMPRES, 21/8/1991—To ensure the flow of cash for economic and social activities, the National Bank of Romania has decided that all economic agents operating in Romania stop making cash payments above 50,000 lei. The measure was prompted by the suspicion that payments in cash of more than 50,000 lei that are not made through Commercial Banks pursue tax evasion.

The National Bank of Romania expects the decision to restore a normal monetary flow and make sure that salaries and pensions are paid on time. This, and the issuance of new banknotes will help normal payments to resume their course in the latter half of September.

Chebeleu Regrets Hungarian Press Allegations

AU2108185591 Bucharest ROMPRES in English 1535 GMT 21 Aug 91

[Text] Bucharest, ROMPRES 21/8/1991—Romanian Foreign Ministry spokesmen expressed "surprise and regret" in connection with Hungarian press allegations as to the Romanian authorities' having made it difficult for Romanians to attend divine services performed by Pope John Paul II on his recent visit in Hungary.

Traian Chebeleu presented the special measures taken for the pilgrimage of the Romanian citizens who attended the meeting with the Pope. Three new frontier crossings between Romania and Hungary were opened to that end, that worked non-stop all along the Pope's visit in Hungary. The Romanian National Railway Company took steps to facilitate the pilgrims' transport to Hungary. For trips booked in advance the company also granted up to 50 percent allowances for the fare in the Romanian territory. Romanian road transport companies supplied the requested transport means (some 60-70 buses). Also, frontier crossing facilities were granted (transit tax exemption) for vehicles sent by Hungary (12 coaches).

"As a matter of fact," Mr. Chebeleu showed, our efforts to facilitate the pilgrimage were acknowledged with satisfaction and gratitude also by representatives of the Hungarian Foreign Ministry.

"The Vatican spokesman himself made a point of giving the lie to the rumors that tried to denigrate Romania, blaming the delay in the arrival of 1,500 Romanians, accompanied by the Bishop of Alba Iulia, at the service of the Orthodox Church head, performed at the Maria Pacs Church, on the organizers."

Nuclear Project Receives $400 Million Credit Line

AU2108123891 Bucharest ROMPRES in English 1101 GMT 21 Aug 91

[Text] Bucharest ROMPRES 21/8/1991—With the Romania visit of Canadian Minister of Energy, Mines and Natural Resources Arthur Jake Epp, the construction of the first 700 megawatt power group at the Cernavoda power plant has entered into its last phase. A 400 million dollar credit line has been opened to the Romanian Government by Atomic Energy of Canada Ltd and Ansaldo of Italy for the completion of the first phase of the project by 1994.

This is the first credit the Romanian state gets for this project, Dan Leca, chairman of the Autonomous Electricity Company Renel, told a ROMPRES journalist. As part of the agreement, about 250 Canadian experts are due to arrive at Cernavoda to work jointly with Romanian specialists.

Chebeleu on Suspension of Jackson-Vanik Amendment

AU2108160291 Bucharest ROMPRES in English 1346 GMT 21 Aug 91

[Text] Bucharest, ROMPRES 21/8/1991—US President George Bush decided on August 20 the temporary suspension of the Jackson-Vanik Amendment as far as Romania was concerned. The news was broken through the Romanian Embassy in Washington. Romanian Foreign Ministry spokesman Traian Chebeleu announced at the weekly news briefing that the official confirmation was waited.

The decision would qualify Romania for programs of credits guaranteed by the American Administration, such as credits for farm produce or Eximbank credits, as well as facilities encouraging and guaranteeing private US investments in Romania sponsored by the Overseas Private Investment Corporation, stated Mr. Chebeleu, showing that "the improvement and development of the Romanian-US relations have been targets of persevering efforts deployed both by the government and by representatives of the opposition parties and groups in Romania."

Chebeleu Comments on Recovering Debts From Abroad

AU2208103291 Bucharest ROMPRES in English 0806 GMT 22 Aug 91

[Text] Bucharest ROMPRES 22/8/1991—The recovery of outstanding debts from foreign companies as well as the supply of the national economy with sufficient oil quantities represent a main concern of our diplomatic offices, Traian Chebeleu, spokesman of the Ministry of Foreign Affairs, stated. He said that, within the good relations between Romania and the Islamic Republic of Iran, the Petrolexport S.A. company convened with the Iranian side that Romania be delivered about 315 thousand tonnes of oil for the debts to be recovered from Iranian commercial companies worth of about 45 million dollars. The mentioned quantity of oil is to arrive in Romania in September 1991.

In present conditions this operation represents a support to overcome the difficulties confronting the Romanian economy," Traian Chebeleu also said.

Federal

Presidency Cease-Fire Group Fired Upon

LD2108155791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1120 GMT 21 Aug 91

[Text] Belgrade, 21 August (TANJUG)—Three times fire opened on a joint group of the SFRY Presidency's Cease-fire Commission that was visiting the municipality of Sibenik, the federal secretary for internal affairs has stated today.

"According to a report from the joint group for the Knin area, members of the joint group of the SFRY Presidency's Cease-Fire Commission, who were controlling the cease-fire on the territory of Bratiskovci, Velika Glava, Plastovo, Gorica, Nadoveza and Ostrovica (Sibenik), were attacked three times on 20 August: around 1215 from the direction of the village of Vujko, then at 1405 from the village of Vacani and at 1625 from the village of Lisani; all these attacks were carried out under the control of the forces of the Croatian Ministry of Internal Affairs and the Croatian National Guard Corps. In the first attack, bullets missed some members of the joint group by 15 centimeters, only by mere chance was nobody injured or killed.

The Federal Secretariat for Internal Affairs sent a letter of protest to the Croatian Ministry of Internal Affairs regarding these attacks, during which the personal safety of members of the joint group was endangered, particularly because members of the joint group arrived in the villages in duly marked vehicles and adequately escorted by the YPA members.

The Federal Secretariat for Internal Affairs informed the SFRY Presidency's Cease-Fire Commission about this, demanding that it call on the warring sides to consistently fulfil their obligations assumed in connection with the safety of members of joint groups, the statement concludes.

Kucan Views 21 Aug Presidency Session

AU2108115591 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 21 Aug 91

[Text] Our correspondent, Bojan Veselinovic, interviewed Milan Kucan, president of the Slovene Presidency, about his expectations for the continuation of the SFRY Presidency session on 21 August. It is believed that the Presidency will discuss the functioning of the system's institutions during the moratorium, a proposal on this has been drafted by the Ante Markovic cabinet.

[Begin Kucan recording] These questions were the subject of talks in Ljubljana [on 12 August]. The Slovene Executive Council has briefed Ante Markovic on our stands toward these questions, and there is nothing else to add. In our opinion, the functioning of the federation must include the undisturbed flow of goods and capital—that is, the abolition of the restrictions that are in force for Slovenia— the basic functioning of the monetary system, from which, as you know, Slovenia has been excluded through no fault of its own, as well as the fulfillment of all those agreements that the republics will reach with the Federal Government in this period. [end recording]

Presidency Agrees on Essential Functions

LD2108173191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1635 GMT 21 Aug 91

[Text] Belgrade, 21 Aug (TANJUG)—The two-day expanded session of the SFRY Presidency, chaired by President Stjepan Mesic, ended in Belgrade today. Apart from the Presidency members, the session was attended by the president and the vice president of the SFRY Assembly, the president of the Federal Chamber of the SFRY Assembly the federal secretaries for foreign and internal affairs, and for justice and administration, the deputy federal secretary for national defense, as well as the presidents of the republics, i.e. the presidents of the presidencies of the republics of Macedonia, Serbia, Slovenia and Montenegro, and the prime ministers of the republics of Croatia and Bosnia-Hercegovina.

Before dealing with the items on the agenda, the federal secretary for foreign affairs briefed the participants on the latest developments in the Soviet Union.

The SFRY Presidency was reported to have examined the draft measures for the functioning of the system in the country during the three-month moratorium, prepared by the Federal Executive Council [FEC].

The introductory report was submitted by the FEC President.

Proceeding from the stand, adopted yesterday, that it is necessary to insure the functioning of the vital parts of the political and economic system until a political agreement is reached on Yugoslavia's future, with the aim of preventing economic and social disturbances—which have been assuming catastrophic proportions—insuring that the damage caused to the country as a whole and to all its parts separately is as small as possible, and meeting Yugoslavia's international obligations, the Presidency agreed that conditions are to be created for carrying out the necessary minimum of economic and political functions.

It is vital to insure the functioning of the Yugoslav market, the monetary and foreign currency system and policy, foreign credit relations, the balance of payment system and operations, the system of customs and non-customs protection measures, and the federal budget.

The Croatian premier refused to give his consent to the part of the previous stand relating to the federal budget—i.e. the part dealing with the financing of the Yugoslav People's Army.

To establish and carry out the minimum functioning in the above spheres, it is necessary to create conditions for the functioning of the SFRY Assembly and the authorized federal organs.

The SFRY Presidency supports the FEC efforts to reach this agreement as soon as possible, in keeping with the Brioni Declaration, the statement stresses in conclusion.

Mesic Optimistic About Overcoming Crisis

LD2108195391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1850 GMT 21 Aug 91

[Text] Belgrade, 21 Aug (TANJUG)—At today's expanded session of the State Presidency we reached a consensus on how the system should function until the agreement on further coexistence is reached. This should further be worked out by the republican and the federal governments and assemblies, said President of the SFRY Presidency Stepan Mesic, speaking as a guest in this evening's Politika TV program entitled "What is happening to us".

I think that we shall pull enough strength to overcome the crisis and achieve an association of equals in which everyone's interests will be protected and which Europe will accept, Mesic said.

Kostic, Jovic Comment on Presidency Statement

AU2108205091 Belgrade RTV Sat TV in Serbo-Croatian 1730 GMT 21 Aug 91

[Interview with Branko Kostic, vice president of the SFRY Presidency, and Borisav Jovic, member of the SFRY Presidency, by an unidentified reporter; place and date not given—recorded]

[Text] The SFRY Presidency yesterday adopted principles of the agreement on the future of Yugoslavia. On that occasion, here are brief statements by Branko Kostic, vice president of the SFRY Presidency, and Borisav Jovic, member of the SFRY Presidency:

[Reporter] In your opinion, can one say that these stands of the Presidency that were adopted yesterday represent a step forward in solving the Yugoslav crisis?

[Kostic] These several principles that were defined, and about which the public has been informed, represent a basis for the hope that a peaceful way to solve this state and political crisis of ours will be found, although the first assumption that we spoke about, even before listing these principles—the absolute and unconditional ceasefire—has still not been obeyed at many of the hotbeds of the crisis. One should expect that all sides in the conflict will nevertheless finally put down their weapons and stop shooting, so that we can try to find a way out of the crisis in a peaceful atmosphere through direct talks.

[Reporter] One of the principles that the Presidency established at its session yesterday says that the possible change of internal and external borders can be realized exclusively on the basis of the right of peoples to self-determination and the exclusion of force. Does that principle, in fact, mean that the Serbian people in Croatia have the right to secede from Croatia?

[Jovic] On the one hand, it was insisted in the discussion that it should be explicitly written down that borders must not be changed by force. On the other hand, it was explicitly insisted that borders will be changed or established exclusively on the basis of people's self-determination. In this long discussion that lasted several hours only about this one issue, a solution was found, the one that was published, and that is that borders will not be changed by force, but on the basis of the peoples' right to self- determination, if there is need to change them.

This, in fact, means that Serbian people in general, and the Serbian people in Croatia, of course, have the right to use this clause.

Defense Official Comments on Recruitment Issues

LD2108184191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1307 GMT 21 Aug 91

[Text] Belgrade, 21 Aug (TANJUG)—By the end of August at the latest, the Army and territorial organizations will take over tasks relating to military service throughout the territory of Yugoslavia, except in the Republic of Slovenia, Lieutenant Colonel General Marko Negovanovic, assistant federal secretary for national defense, stated at a news conference today in the International Press Center in Belgrade.

He indicated that at the same time "necessary measures, including criminal prosecution, will be taken against the most responsible officials who sabotage and fail to implement the law on military service and the decision of the SFRY Presidency with regard to military service and the despatch of recruits to the Yugoslav People's Army [YPA]."

Lt. Col. Gen. Negovanovic said that the YPA would "maintain its combat readiness at the necessary level". The Federal Secretariat for National Defense has informed the SFRY Presidency of the Federal Executive Council about these measures.

The decisions of the leaderships of Macedonia and Bosnia-Hercegovina not to send recruits outside the territories of their republics represent, according to Negovanovic, the unconstitutional suspension of federal laws and, in essence, amount to setting up autonomous systems of defense and republican armies. This, he noted, is just another way of speaking of the destruction of the YPA.

General Rules Out Possibility of Military Coup

LD2208000391 Belgrade TANJUG in English 1910 GMT 21 Aug 91

[Text] Belgrade, August 21 (TANJUG)—The possibility of a military coup in Yugoslavia, similar to the one in the

Soviet Union, is an "old story which was used as an alibi to set up paramilitary formations and import arms illegally or as an excuse for (allegations) that the Army would attack so and so ...", as Assistant Yugoslav Defence Secretary Gen. Marko Negovanovic told a news conference here today.

Gen. Negovanovic said the Yugoslav Presidency was functioning and proof of this were the Presidency's sessions in Belgrade on Tuesday and Wednesday.

Gen. Negovanovic denied a statement by Yugoslav Presidency President Stjepan Mesic that the Yugoslav People's Army did not comply with his order to withdraw from Okucani (Croatia) late last week when clashes between the republican paramilitary formations and armed Serbian civilians took place.

"The real question is why Croatia's armed formations moved towards the crisis-hit region of Okucani, although such movements had been forbidden under a Presidency decision... according to which the Army's duty is to prevent ethnic conflicts," Gen. Negovanovic said.

Loncar Rules Out Foreign Intervention

LD2208140891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1228 GMT 22 Aug 91

[Text] Belgrade, 22 Aug (TANJUG)—Federal Secretary for Foreign Affairs Budimir Loncar categorically ruled out today the possibility of foreign troops being involved in Yugoslavia and a solution to Yugoslav problems being found outside its territory.

At a regular news conference in the Federal Secretariat for Foreign Affairs in Belgrade, Loncar stressed that foreign countries including the great powers and the European Community have a certain influence on the (?situation) in Yugoslavia. However, he said "nowhere in the world does an illusion exist that someone else can solve our problems on our behalf, particularly not against us."

Loncar refuted speculation that the putsch in the Soviet Union could cause similar changes in Yugoslavia. He stressed that concern over the events in Moscow reinforced the resolve of Yugoslav politicians to speed up the process of resolving the Yugoslav crisis and to reach an agreement on the future of Yugoslavia.

Loncar stressed that the changes in the Soviet Union—represented in perestroyka—are an irreversible process. He said that the Soviet Union, "through such a rapid curbing of the putschists, through the clearly expressed will of the people, and the public support for Mikhail Gorbachev and Boris Yeltsin's action, confirmed that it definitely favors strong democratic processes and perestroyka."

Presidency on Functions During Transition Period

AU2208132491 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 22 Aug 91

[Text] A two-day expanded session of the SFRY Presidency ended yesterday [21 August] afternoon. The participants discussed the functioning of the system's institutions in the transitional period until the end of the moratorium that is envisaged in the Brioni Declaration.

The SFRY Presidency rejected the proposal put forward by Ante Markovic, president of the Federal Executive Council. It agreed, however, that an accord on a minimal program of economic and social measures in needed. This program is to be adopted with the cooperation of the republican parliaments. The SFRY Presidency, therefore, did not vote on the document put forward by Markovic.

In the debate many accusations were again made at Slovenia's expense. It was said that Slovenia does not observe the part of the Brioni Declaration that deals with customs duties. Representatives of Slovenia have rejected reproaches made by Markovic and reiterated that Slovenia is still excluded from the Yugoslav monetary system.

Croatian representatives drew attention to everything that happened in Croatia last night, which was additional proof of how very weak the guarantees for a peaceful and political settlement contained in the SFRY Presidency agreements are.

Slovenia

Military Withdrawing From Ljubljana, Novo Mesto

AU2108115891 Ljubljana Radio Slovenia Network in Slovene 0500 GMT 21 Aug 91

[Text] The Yugoslav Army's withdrawal from our republic is continuing. Over 100 Yugoslav Army trucks carrying military equipment will set off toward the south today. Currently, there are already some 60 trucks moving along the road to the south. They have been withdrawing from Ljubljana and Novo Mesto. This was probably the reason that two military planes circulated above Ljubljana between 0400 GMT and 0500 GMT. We checked this report with the relevant republican institutions and learned that the two planes' overflights were not announced in advance. However, it appears that they are merely supervising the withdrawal of the first column of trucks heading south. Honored listeners, you might feel uncomfortable, but there is absolutely no reason for fear.

Pucnik on Talks With Croat Prime Minister

AU2108181791 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 21 Aug 91

[Interview with Dr. Joze Pucnik, president of the Slovene Social Democratic Alliance, by Ljubljana radio correspondent Filip Semrlj on 21 August; place not given—recorded]

[Text] Dr. Joze Pucnik, president of the Slovene Social Democratic Alliance, assessed the two-day talks with his Croatian party colleagues at today's news conference in Zagreb as very successful. In the talks they examined the critical situation in Croatia and the situation in Yugoslavia, as well as the possibilities for resolving the crisis. Our correspondent Filip Semrlj had a short interview with Dr. Joze Pucnik:

[Pucnik] We also discussed some specific matters that I do not wish to talk about in great detail. In principle, the talks concentrated upon the assessment that in the governments of Slovenia and Croatia we must consistently carry out all measures that would strengthen cooperation between the two countries.

[Semrlj] Yesterday you also met with Dr. Franjo Greguric, president of the Croatian Government. Therefore, you probably discussed specific help and coordinated cooperation between the two governments, in which from now on both parties have their representatives?

[Pucnik] Because I am not a representative of the Slovene Government, the talks with Dr. Greguric were very spontaneous, and perhaps for this very reason also more productive. Mr. Greguric told me many interesting things which I will try to talk over with my colleagues who are in the Slovene Government. I must say that certain things were not known to me and it will undoubtedly be necessary to discuss them.

Mr. Greguric explained the situation in which Croatia has found itself, and presented the plans that will soon—in the next few days or perhaps next week— be discussed. These things are of utmost importance for Croatia and, therefore, also for Slovenia. Unfortunately, at the moment I could say no more on this matter. The talks with Mr. Gregoric were very productive in all aspects.

[Semrlj] Thank you very much.

Slovenia Accuses Markovic of Economic Attack

LD2108235791 Belgrade TANJUG in English 1453 GMT 21 Aug 91

[Text] Sezana, Aug 21 (TANJUG)—Slovenian Information Minister Jelko Kacin today accused Yugoslav Prime Minister Ante Markovic of deciding to "break Slovenia economically, without chosing the means."

Kacin told a news conference in the border town of Sezana that federal diplomatic missions were trying to convince other countries that customs services were not functioning in Slovenia.

Slovenian Deputy Prime Minister Andrej Ocvirk said customs services in Slovenia were functioning "innkeeping with federal regulations" and that it was agreed that funds from customs fees be paid into a special account.

The federal government is requesting that federal customs officers also be present during the customs clearance of goods.

The government also claims that Slovenia owes the federal budget 2.2 billion dinars (around 100 million dollars).

Imports of goods and transit traffic through Slovenia has dropped substantially, it was said at the news conference.

More than half the importers from other Yugoslav republics who had earlier cleared goods through customs in Slovenia are no longer doing so.

Ocvirk said that arms smuggling had particularly increased.

Slovene Citizenship Application Deadline Set

AU2208102691 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 21 Aug 91

[Text] Slavko Debelak, head of the Directorate for Administrative-Legal Matters, stated for the Slovene Press Agency that 12,927 persons applied for Slovene citizenship in the period from 1 January to 1 August 1991. So far, the Directorate has processed just over 8,500 applications. The national breakdown of the applications processed shows that most applicants are citizens of Croatia. They are followed by citizens of Bosnia-Hercegovina, Serbia, Macedonia, and Montenegro. There are 290,000 non-Slovenes with permanent right of abode in Slovenia, of which 149,000 declared themselves Yugoslavs in the latest public census. The Directorate for Administrative-Legal Matters expects that more than half of non-Slovenes will apply for Slovene citizenship. The deadline for the applications runs out on 25 December 1991. Therefore, as of 26 December 1991 all those persons who do not apply for citizenship will be considered foreigners. For these persons, Article 10 of the Law on Citizenship, which envisages eight conditions for the acquirement of Slovene citizenship, will apply. However, until 25 December, Slovene citizenship will be available to anyone who possessed permanent right of abode in Slovenia on 23 December 1990 and actually lives in our country. Persons having doubts or wishing to check the information on citizenship should contact the relevant office in the commune of their permanent residence.

Demos Presents New Proposal for Country's Future

AU2208114891 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 21 Aug 91

[Text] At today's news conference Demos' leadership presented its initiative for dissociation of the Republic of Slovenia and for regulation of relations with the remaining factors and parties in the Yugoslav crisis. The news conference was also attended by Slovene Foreign Minister Dimitrij Rupel, Slovene Assembly President France Bucar, Demos coalition President Joze Pucnik, Franc Zagozen [not further identified], Slovene Assembly Vice President Vitodrag Pukl, and others. Suzana Kos reports:

[Begin Kos recording] Dr. Joze Pucnik, president of the Demos coalition, said, among other things, that it is necessary to define the starting point for the formation of relations on the territory of the former Yugoslavia. It is evident that Slovenes will not change their stand on an independent Slovenia and that the idea of confederation, which was proposed by Slovenia and Croatia a few months ago, is now unsuitable. Despite everything that Slovenia is going through, we must continue to play our game the European way, in other words, we must continue to show willingness for negotiations with other subjects in the Yugoslav crisis in all spheres and at all levels. Slovene Foreign Minister Dr. Dimitrij Rupel said that Demos has defined particular goals of national importance several times so far. An independent and sovereign Slovenia continues to be Demos' goal, although there are many questions still to be resolved with the former Yugoslavia.

At present, we are witnessing three or four different political philosophies, that is to say, interest groups, in Yugoslavia. The first group represents the interests of Slovenia, the second the interests of Croatia, and the third and fourth group represent the interests of Serbia and Montenegro, who appear to favor closer cooperation, and Bosnia-Hercegovina and Macedonia. The latter ones will decide by themselves whether to link themselves with the aforementioned community [Serbia and Montenegro]. Rupel said that Slovenia is currently not interested in confederation. The proposal put forward by Demos is that our state would become an associate member of the Conference on Cooperation and Security in Yugoslavia. On such a basis it would be possible to cooperate in several fields and be completely independent at the same time. We wish that the talks on this would start as soon as possible, as there is not much time left, the hatred in Yugoslavia is growing, and the economic crisis is deepening.

The form of a conference is well known in Europe. The conference could have permanent organs whose task would be to resolve all controversial issues. Demos' proposal on the future cooperation of the independent political subjects on the territory of the former Yugoslavia will take its final form in the days to come, and it will, of course, also be discussed by the deputies in the republican parliament. [end recording]

Helsinki Federation on Kosovo Situation

AU2208110691 Ljubljana Radio Slovenia Network in Slovene 1700 GMT 21 Aug 91

[Bojan Gorbovsek report]

[Text] The claims by the Serbian authorities that some Albanian physicians and other medical personnel voluntarily left their posts, that others were dismissed for malpractice and for using medicine for political purposes, and that the level of the medical service in Kosovo has improved lately, are untrue and cynical. This was, in short, the conclusion of the delegation of the International Helsinki Federation for Human Rights, with its headquarters in Vienna, after its recent visit to Kosovo. The delegation which was lead by Christine von Kohl, who is responsible for Yugoslavia, will submit a detailed written report on this visit. The information presented, and the circumstances described by the members of the delegation at today's news conference, confirm that the situation in Kosovo is, in short, dreadful.

Since this April, 1,250 Albanian medical employees including 220 physicians have been sacked. They were partly replaced by the very young or retired Serbian physicians who receive salaries three or more times higher than their Albanian colleagues who are still employed by the public institutions. As a result of massive redundancies of the Albanian workers, there are some 600,000 persons in Kosovo without medical insurance at the moment. An additional obstacle imposed by the Serbian authorities in the medical services to the Albanian residents is a decree making Serbo-Croatian the official language in the medical institutions. No Albanian applicants were admitted to study medicine at Pristina university this year.

The judgment of the Helsinki Federation was that the calmness of the Albanian residents who live in such an atmosphere of Serbian repressive politics is surprising. However, the situation will probably escalate in a few days when the new school year begins: Albanian teachers rejected a decree that envisages teaching according to the Serbian school curriculum. In short, Albanian schools will remain closed.

Croatia

Vekic Demands Cease-Fire Commission Intervene

LD2108234491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1836 GMT 21 Aug 91

[Text] Zagreb, 21 Aug (TANJUG)—Ivan Vekic, minister of interior affairs of the Republic of Croatia, this afternoon sent a demand that the SFRY Presidency's Cease-fire Commission intervene urgently.

"According to reports from police stations, especially the Osijek police station", the demand of Minister Vekic states, "more than 300 mortar shells were fired on the town of Osijek, the villages of Tenjski Antunovac,

Laslovo, Sarvas and Nova Tenja in the course of last night and this morning. The number of dead and wounded people has not been established, and the amount of material damage is substantial. The positions of units of the (Croatian) Ministry for Internal Affairs and residential houses in the village of Sarvas were fired upon by machine guns. I spoke with Petar Gracanin, the federal secretary for internal affairs, who promised that he would do something to end the firing. Needless to say, the mortars and shells are from the military arsenal. I inform you that you were duty bound to prevent this in the very beginning, and you are duty bound in particular to prevent it now.

"I ask you to inform me urgently about everything you have done to halt the attack and to guarantee that there will be no more attacks in the future. Otherwise, the Ministry for Internal Affairs of the Republic of Croatia will issue appropriate orders and instructions in order to neurtralize positions from which attacks are being launched, regardless of who is positioned there and what the role of the Yugoslav Army is. Those who launched attacks will bear the total responsibility. They have been identified in front of the world and domestic public, and the SFRY Presidency Cease-fire Commission will certainly bear its share of responsibility. We did not expect that the commission's role to be purely decorative", the demand of Minister Vekic concludes.

Deputy Interior Minister Warns of Police Action

LD2108171691 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 21 Aug 91

[Text] In connection with today's activities all over the Republic of Croatia, Croatian Deputy Minister of Internal Affairs Milan Brezak made the following statement:

[Begin Brezak recording] I must say right away that the events are increasing in intensity. It is common knowledge that forces of the Ministry of Internal Affairs repelled a recent attack on Pakrac and that during this fighting heavy casualties were inflicted on the terrorists. At least 60 of their men were killed and about 100 were wounded; and a considerable quantity of military equipment was seized. Also our forces drove away the opponents with the result that only a few were captured. As they ran away from Ministry of Internal Affairs forces, the terrorists forced the inhabitants of several villages to run away with them, thus creating artificial confusion.

I am taking advantage of this opportunity on behalf of the Ministry of Internal Affairs to tell all inhabitants of Serbian villages to stay in their homes because they are under no threat whatsoever. There is, however, a threat posed to the terrorists and Chetniks, as it was in Pakrac and the surrounding area.

From now on Ministry of Internal Affairs forces—and this includes the increase of their firepower and the fact that they are better organized from the operational point of view—will resolutely and thoroughly clear all Chetnik and terrorist barricades and strongholds no matter where in Croatia they may appear.

Surprised by their own setback in the Pakrac operation, the terrorist-army (?people) have resorted to panic actions. They fired more than 300 grenades on the greater Osijek area this morning, and three aircraft from Vojvodina machine-gunned Sarvas returning to Vojvodina. I must say that these actions lack any professional military objectives, that is, to attack the enemy, because these grenades hit a family home, shops, gardens, and streets—in short, civilian targets.

Because of this development and increased danger, and also because the generals and the terrorists do not comply with the cease-fire arrangements and also the fact that Federal Secretariat of Internal Affairs working groups are to be found in Croatia, Interior Minister Vekic had a phone conversation with Petar Gracanin, the Federal secretary of internal affairs, and drew his attention to these events and the consequences they may have—especially in view of the fact that the terrorist grenades that are killing civilians and destroying aircraft are the property of the Yugoslav Army [YPA].

Minister Vekic warned the Federal secretary of the seriousness of the situation and of the possibility of the Croatian Ministry of Internal Affairs asking the Croatian Government and leaders urgently to approve measures which will activate the Ministry of Internal Affairs forces to the point of reasonable activity in which considerable casualties may occur and the civilian population may experience considerable suffering.

Mr. Gracanin's attention was also drawn to the responsibility to be borne in that case by the Federal Secretariat of Internal Affairs whose working groups for the supervision of the cease-fire are in Croatia at the moment and who obviously are taking no steps whatsoever to stop terrorist activities.

In addition, the Croatian Ministry of the Interior wrote to the Yugoslav Presidency Commission for the Supervision of the Cease-fire warning about the same thing and especially mentioning the fact that [words indistinct] in which context the fact is unusually important that despite the existence of a cease-fire since 7 August the terrorists and the YPA on 158 occasions violated the cease-fire arrangement, that is, a decision made by their own supreme command. These violations resulted in many casualties, posed a threat to our citizens and to their property, and brought the security situation in the republic to a point where the Croatian Interior Ministry believes it must activate bigger and more destructive operational actions. [end recording]

Brezak Says Situation 'Increasingly Dramatic'

LD2108235191 Belgrade TANJUG in English 1804 GMT 21 Aug 91

[Text] Zagreb, August 21 (TANJUG)—Croatian Assistant Interior Minister Milan Brezak stated on

Wednesday that the situation in this Yugoslav republic was becoming increasingly dramatic.

In an interview to the Croatian radio Brezak said that because of such a turn of events Croatian Interior Minister Ivan Vekic warned Federal Interior Minister Petar Gracanin that the Croatian authorities would soon be asked to urgently approve such measures as would activate the Interior Ministry forces to such a level that could possibly result in a large number of casualties, with the high possibility of casualties among the civilian population.

Brezak said that over 300 grenades were fired at Osijek, the central city in Slavonija, and that, as he said, "three military aircraft from Vojvodina (province in the Republic of Serbia) fired machine guns on Sarvas," a village in this eastern Croatia region, in which armed forces of Croatia were stationed.

In the meantime, in Belgrade, Assistant Federal Defense Secretary General Marko Negovanovic denied this and set out that in the crisis areas "the army has nowhere, never and at no one opened fire first. On the contrary, it did so only to protect its own forces," he told a press conference.

Brezak cited that great losses were inflicted on the "terrorists" in the conflicts in Pakrac, at least 60 dead and around 100 wounded. Also, large quantities of materiel were seized, he said. He did not specify the losses of the Croatian armed forces.

The Croatian authorities use the term "terrorists" for Serbs in Croatia who are defending their right to remain living in Yugoslavia, and not in a sovereign Croatia that has seceded from it.

Brezak stated also that the Croatian Interior Ministry has warned the Yugoslav Presidency state commission supervising the cease-fire in this republic that it, too, was responsible, for, as he said, the "violation of the ceasefire by terrorists and the Yugosav People's Army in 158 instances since August 7."

Army Enters Beli Manastir Town Center

LD2108115591 Zagreb Radio Croatia Network in Serbo-Croatian 1130 GMT 21 Aug 91

[Text] We have learned from reliable sources that, following yesterday's attacks on Beli Manastir, the Army has entered the very center of the town. Four army personnel carriers, four army trucks, and two tanks are stationed in front of a dairy product shop, and members of the Federal Army entered premises of the Territorial Defense of the Republic of Croatia. The army took out [word indistinct].

Belgrade Radio Reports Calm in Banija

AU2108161091 Belgrade Radio Belgrade Network in Serbo-Croatian 1300 GMT 21 Aug 91

[Dragan Bera report on situation in Banija and Kordun]

[Text] It was calm in Banija during the day. There were shootings in several places last night, mainly in Kostajnica, where there were even explosions caused by mortar fire (?before) last night. The positions of the forces of the [Croatian] Ministry of Internal Affairs and the Guard in this town have been seriously shaken, but it is virtually impossible to learn whether anybody has been killed or injured because nobody is coming from or going to Kostajnica any longer.

The Croatian authorities' calls on the refugees to return home were in vain, because it is certain that the fighting will not stop as long as the forces of the [Croatian] Ministry of Internal Affairs and the Guard are there. Workers who nevertheless responded to the call to return to work say that there are no machines in the enterprises because Croatian policemen have taken them away to some unknown destination. There is no work, either.

On the other side of the Una, in the villages at the foot of the Kozara Mount, which belong to the communes of Dubica and Bosanski Novi, there are 7,000 refugees from Banija, [name indistinct], and Kostajnica. They are impatiently waiting for a resolution to the situation. Local radio stations and newspapers in Bosnia are full of advertisements in which Serbs from Croatia are selling or exchanging houses and apartments. A house in Zagreb is (?now) offered in exchange for any kind of accommodation in Bosnia, so the (?situation resembles) the one on the eve of and during the last war. Serbs and other unsuitable people are showered with dismissal notices: 500 dismissal notices have been distributed in Sisak enterprises alone. Croatian authorities do not even take into consideration the fact that roads are blocked and that traffic along the Bosanski Novi-Glina railroad has been interrupted for days already, so that those workers who want to work cannot reach their jobs. All in all, the young democracy is more and more showing its real face, so similar to the one of its predecessors of 50 years ago.

Slavonian Town Hit by Mortar Fire

LD2108175191 Belgrade TANJUG in English 0921 GMT 21 Aug 91

[Text] Daruvar, August 21 (TANJUG)—Nine mortar shells fell at brief intervals on Daruvar, a town in the central part of Croatia's Slavonia region, about 3 A.M. [0500 GMT] today.

Four shells hit the market place and one a residential-office building, while the rest fell near the police station. One policeman was injured by fragments of glass. Material damage is substantial. There are still no reports about other consequences of the attack.

Two Killed, Two Injured in Jankovci Area

LD2108181291 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 21 Aug 91

[Excerpt] This morning the news was officially confirmed: two people have died and two sustained serious injuries from a mine in the Jankovci area, 5-6 km from Vinkovci. Serbian terrorist continued with a mortar attack on the village of (?Tortinici) this morning. Last night they launched 17 mortar shells, and this morning 7 more shells. Two people sustained serious injuries in last night's attack. [passage omitted]

Air Force Planes Shot at Over Croatia

LD2108182291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1759 GMT 21 Aug 91

[Text] Belgrade, 21 Aug (TANJUG)—Air force planes were again fired upon in Slavonia . In connection with this, the information service of the Air Force and anti-aircraft defense command issued the following statement:

Our men are carrying out routine surveillance flights over crisis areas in Croatia to monitor the cease-fire. Surveillance planes took off this morning to carry out the same routine task. They were flying above the Vinkovci-Osijek-Sarvas-Bijelo Brdo region. At 1025, fierce fire was opened on the planes from the village of Sarvas. A statement of the information service of the command of the Air Force and anti-aircraft defense states that pilots responded with machine-gun fire.

Shooting Continues in Darda; Army Tanks Arrive

LD2208081391 Zagreb Radio Croatia Network in Serbo-Croatian 0730 GMT 22 Aug 91

[Text] In the village of Darda in Baranja, policemen and members of the Croatian National Guard Corps are still fighting terrorists who are attacking the place. We have just learned that five Yugoslav Army tanks have entered Darda from the direction of Beli Manastir.

Mortar Attack on Villages Near Osijek Reported

LD2208102391 Zagreb Radio Croatia Network in Serbo-Croatian 0930 GMT 22 Aug 91

[Excerpt] Approximately 300 mortar shells last night hit Laslovo and Ernestinovo, villages which are controlled by members of the Croatian National Guard Corps, despite fierce attacks. [passage omitted]

Shooting in Pakrac, Grubisno Polje Reported

AU2208103691 Belgrade Radio Belgrade Network in Serbo-Croatian 1000 GMT 22 Aug 91

[Text] The residents of Pakrac spent last night in basements and shelters. Mortar fire and automatic gunfire lasted until 2000 [1800 GMT] last night and until 0300 [0100 GMT] in the morning. The shooting was mainly in the town, but several mortars landed in front of the police station.

There is no water in the town, and supplies of foodstuffs have come to a halt. According to unconfirmed figures, if peace returns to this town, a month will be needed to clear up the effects of the damage caused by the fighting.

Last night was quiet in neighboring Daruvar, but there was mortar fire in Okucani. TANJUG reports that fighting resumed early this morning in Ivanovo Selo and Grubisno Polje.

Army Aircraft Bomb Sarvas Twice

LD2208122991 Zagreb Radio Croatia Network in Serbo-Croatian 1130 GMT 22 Aug 91

[Text] Between 1200 and 1300 today, three Army aircraft twice bombed Sarvas where members of the Croatian National Guard are deployed. At that time, the inhabitants of Sarvas, who are now staying in Osijek and vicinity with their relatives and friends, had come to the village to feed the cattle. The information center has just informed us that there was mortar fire from the direction of Ada toward Laslovo and from Stara Tenja toward Nova Tenja.

'Many Casualties' in Attack on Sunja, Komarevo

LD2208100791 Zagreb Radio Croatia Network in Serbo-Croatian 0930 GMT 22 Aug 91

[Text] Heavy mortar and machine-gun fire was opened this morning by terrorists and extremists on positions of the National Guard Corps and Croatian Ministry of Internal Affairs in Sunja and Komarevo near Sisak. Their attack was repulsed, but 16 members of the Croatian National Guard sustained injuries. We have learned that there are also many casualties on the extremists-terrorist side.

Serbia

Kosutic Says 'Legal' Solutions Sought

LD2108234191 Belgrade TANJUG in English 1915 GMT 21 Aug 91

[Text] Belgrade, August 21 (TANJUG)—Serbia upholds the latest agreement of the Yugoslav leadership for the settlement of the crisis in the country on the basis of four principles which will enable a democratic and legal reconstruction of the state, as Serbian Vice-Premier Budimir Kosutic told journalists today.

Kosutic expressed hope that the Croatian authorities will this time respect the agreement reached by the country's Presidency yesterday.

The republican and federal leaders yesterday agreed to continue the negotiations on the country's future, respecting the right to self-determination to secession

and the democratically expressed will of all nations on their status in Yugoslavia and that said that all changes should be realized without the use of force.

Kosutic said he hoped that the Croatian parliament would now review its deciiion to freeze all relations with Serbia.

The decision was adopted in the Croatian parliament last month, when it accused Serbia of helping "Serbian terrorists" in Croatia.

Kosutic explained "they are not guerrillas or terrorists, but resistance to state terrorism and genocide which is being carried out in Croatia." He added that the Serbian Government only sent aid in food and medicines and the kind to Serbs in Croatia.

Croatia unilaterally declared independence on June 25, and Serbs in Croatia unilaterally declared their autonomy, since they do not want to leave Yugoslavia.

Macedonia

Assembly on Recent Developments, Defense Minister

AU2208121691 Skopje Radio Macedonia Network in Macedonian 2000 GMT 21 Aug 91

[Text] The Macedonian Assembly this afternoon decided to hold a session tomorrow at which it will discuss the latest developments concerning the political situation in the country after the 2-day session of the SFRY Presidency. The President of the Republic of Macedonia, Kiro Gligorov, is expected to address the session.

It was agreed that the 21st session of the Macedonian Assembly would discuss the draft amendments to the present Law on Military Service, which was submitted by the republican government, as well as responsibilities concerning recruitment and the keeping of military records, which would remain in the hands of the republican organs.

The initiative for urgent amendments to this law was today also submitted by the deputies caucus of the VMRO-DPMNE [the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity], with which other political parties taking part in today's session of the republican assembly agreed. In this way they met one of the key demands heard during the protest by parents in front of the Macedonian Assembly today. They insist, among other things, that the soldiers whose military service will end soon, be returned to the republic without having their military service extended, which was something that was announced recently, and many conscripts [words indistinct] the Republic of Macedonia. [Words indistinct] all parents in Yugoslavia who jointly tried to the madness that reigns in the country.

During the afternoon part of the session the question of replacing the republican defense minister, Colonel Risto Damjanovski, was also raised.

Defense Minister Damjanovski Replaced

LD2208135291 Belgrade TANJUG in English 1258 GMT 22 Aug 91

[Text] Skopje, Aug 22 (TANJUG)—Nikola Kljusev, prime minister of the Yugoslav Republic of Macedonia, told the Macedonian parliament today that he had used his executive privilege and relieved of duty the republic's minister for national defence, Risto Damjanovski.

Kljusev said Damjanovski had lately worked in contravention of the positions taken by the Macedonian Government and could thus no longer remain part of it.

Kljusev nominated Vice-Premier Blaze Ristovski to assume the office temporarily until a replacement is appointed for Damjanovski.

Damjanovski is opposed to demands that Yugoslav People's Army conscripts from Macedonia should in future serve their tours of duty in their own republic.

The decision will be confirmed by the parliament in the normal procedure.

Gligorov Comments on Presidency Statement

AU2208101691 Skopje Radio Macedonia Network in Macedonian 2000 GMT 21 Aug 91

[Text] In a statement made on Macedonian Radio and Television after the SFRY Presidency session, Macedonian President Kiro Gligorov said, among other things, that the main principles and tasks that were agreed on represent a good foundation for the continuation of work on concluding an agreement, something that could be described as a document for a united Yugoslavia.

An agreement was reached to ensure the functioning of the vital parts of both the political and economic systems, Gligorov said. Concerning Macedonia's interests, President Gligorov said that all the principles that have been agreed on suit Macedonia and (?stressed that) it is of utmost importance that one should follow what was stated in the principles, namely one should take into consideration the expressed will of the people of those republics that have already held referendums and those which are yet to hold them. Gligorov said that this means that our referendum is also being legalized.